

Queensland



Parliamentary Debates
[Hansard]

Legislative Assembly

THURSDAY, 16 SEPTEMBER 1976

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PAPERS

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

Report of the Chief Safety Engineer and Chief Inspector of Machinery, Construction Work, and Weights and Measures for the year 1975-76.

The following papers were laid on the table:—

Orders in Council under the Workers' Compensation Act 1916-1974.

PETITION

AMENDMENT OF LIQUOR ACT

Dr. LOCKWOOD (Toowoomba North) presented a petition from 87 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.

THURSDAY, 16 SEPTEMBER 1976

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

ADDRESS IN REPLY

PRESENTATION AND ANSWER

Mr. SPEAKER: I have to inform the House that, accompanied by honourable members, I this day presented to the Deputy Governor the Address of the Legislative Assembly, adopted by this House on 14 September, in reply to His Excellency's Opening Speech, and that the Deputy Governor has been pleased to make the following reply:—

"Government House,
"Brisbane, 16 September 1976.

"Mr. Speaker and Gentlemen,

"As the Representative of Her Majesty the Queen, I tender to you and the members of the Parliament of Queensland, my sincere thanks for the Address-in-Reply to the Speech which His Excellency the Governor had the honour to deliver at the Opening of Parliament on 24 August last.

"It will be my pleasant duty to convey to Her Majesty the Queen the expression of continued loyalty and affection to The Throne and Person of Her Majesty Queen Elizabeth II from the members of the Legislature of Queensland in Parliament assembled.

"The Queen is the unifying centre for the peoples of the Commonwealth of Nations, and a sign to the world of our faith in freedom.

"I trust that your labours to promote the advancement and prosperity of this great State will meet with success in full measure.

"I pray that the blessings of Almighty God may rest upon your counsels.

"C. G. WANSTALL,
"Deputy Governor."

QUESTIONS UPON NOTICE

1. PAPA W LEAVES

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

Has his department done any research to indicate how long papaw tree leaves keep their shape and green appearance after the stem supporting the leaves is cut down?

Answer:—

Observations show that in hot and sunny weather in the tropics the leaves would wilt and lose their shape in about one hour and the leaves would start to change colour within a day. Papaws are very susceptible to quick wilting. Within about four days the leaves would be crisp and dry. In cooler, overcast or rainy conditions, it may take a little longer.

2. COMPETITION FROM TASMANIAN APPLES

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

What action has the State Government taken as a result of complaints by Queensland fruit growers about Tasmanian apples, which can or will be landed in Brisbane at the same freight charges as Stanthorpe apples, owing to Government fruit subsidy rates?

Answer:—

A Tasmanian Freight Equalisation Scheme, to apply to eligible cargoes shipped by sea from Tasmania to the mainland, came into operation on 1 July 1976. An amount of \$16,000,000 was provided in the Federal Budget for this scheme.

The honourable member for Carnarvon (Mr. P. McKechnie) and a deputation from the C.O.D. have informed me of the serious concern of Stanthorpe apple growers that the subsidy will make it most attractive for Tasmanian apple producers to supply mainland markets. The freight subsidy on apples from Tasmania to Brisbane or Sydney is \$1.56 per carton. This subsidy threatens the viability of Stanthorpe apple growers, whose two main markets are Sydney and Brisbane. I might mention that the honourable member has informed me that he has been in touch with the Federal Minister for Primary Industry (Mr. Sinclair) on this matter. Quite frankly, I do not know what the Commonwealth Government was thinking of when it took this action.

Representations are being made to the Commonwealth Government, pointing out that the freight subsidy will result in an undesirable distortion of normal marketing patterns in the mainland States. Any assistance given to Tasmania should be across the board on production, rather than selectively geared to improving Tasmania's competitive position on mainland markets.

I might mention, too, that this matter was never discussed at meetings of the Agricultural Council, which consists of Ministers from all States. It will affect not only apples but potatoes and other commodities and it will give Tasmanian growers a considerable advantage over those on the mainland.

Mr. Houston: What are you going to do about it?

Mr. SULLIVAN: We will be doing something about it. It is on the agenda for the meeting of the Agricultural Council early in October.

3. ASTHMA RESEARCH

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

(1) Has his attention been drawn to the statement by Dr. Michael Pain that Australian research into asthma was being hampered by a lack of funds?

(2) Do one in ten Australians suffer from asthma?

(3) How much money does the Queensland Government provide for asthma research?

Answers:—

(1) Yes.

(2) Figures for Australian sufferers are not readily available. The late Dr. E. H. Derrick stated that the percentage of Queenslanders who suffered from the condition was a little over four per cent.

(3) The Queensland Government, through the Queensland Institute of Medical Research, supported Dr. E. H. Derrick

with the necessary support services from 1960 until 1966. The Queensland Asthma Foundation has received annual grants of \$4,000, which was increased to \$5,000 in 1975-76. It is understood that the Asthma Foundation of Queensland has financed the employment of a Ph.D. graduate in organic chemistry since July 1974 for research.

4. SAFETY STANDARDS FOR GRANDSTANDS

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

(1) Has his attention been drawn to the collapse of a stand at a football match in Maryborough on 12 September?

(2) Does his department have any regulations concerning the safety standards of such structures?

(3) If not, will he consider introducing regulations concerning safety standards of stands, pavilions, etc., which are used by the public on only a few days each year and fall into disrepair?

Answers:—

(1) Yes.

(2) The Building Act 1975 confers power on local authorities to ensure the structural safety of buildings and structures. In the case of an uncovered stand, the local authority could require a building application under Part 58 of the Standard Building By-laws and would only approve the application if the design satisfied all the criteria necessary for safety.

(3) In the case of existing structures, a local authority may issue a notice upon the owner of any building or structure which it considers to be dangerous, neglected or unfit for occupation, and may require that the building or structure be demolished, taken down, secured or repaired.

5. FERAL PIGS

Mr. Ahern for Dr. Scott-Young, pursuant to notice, asked the Minister for Lands, Forestry, National Parks and Wildlife Service—

(1) As the feral pig has become a nuisance within the Thuringowa Shire, what steps may be taken to eradicate it under existing legislation?

(2) If there is no legislation enabling the eradication of this pest, will he take immediate steps to introduce same?

Answer:—

(1 and 2) Feral pigs are declared vermin under the Stock Routes and Rural Lands Protection Acts, 1944 to 1967, throughout the whole of Queensland and that declaration requires every landholder to eradicate feral pigs from his property. The Acts

also charge each local authority with the responsibility for control and direction of destruction of vermin within its area.

The co-ordinating board has recognised that feral pigs constitute a particular problem at the present time and provides assistance for their control in its current vermin-control programme using the poison "1080".

All shire councils have been circularised regarding the manner of conducting poisoning campaigns. Any affected landholder within the Thuringowa Shire should approach that council for information. However, the occurrence of any unusual pig problem should be brought to the notice of the Superintendent of Stock Routes.

ORDER IN CHAMBER

Mr. MELLOY (Nudgee) proceeding to give notice of a question—

Mr. Alison: Is that in your electorate?

Mr. MELLOY: It is a matter of interest to me, whether it is in my electorate or not. It is in the national interest.

Mr. SPEAKER: Order! I warn the House that the next honourable member on either side of the Chamber who interjects while an honourable member is on his feet will be dealt with by me under Standing Order 123A. Honourable members have had a fair warning. I will not tolerate any further interjections.

QUESTIONS WITHOUT NOTICE

DAIRY INDUSTRY EQUALISATION SCHEME

Mr. GUNN: I direct a question to the Minister for Primary Industries. It was reported in yesterday morning's "Courier-Mail" that the honourable member for Toowoomba North in a speech in this House claimed that, although every dairy farmer in Queensland opposed the levy on whole milk under the Dairy Industry Equalisation Scheme, both the Premier and Minister for Primary Industries had failed to give Queensland's support. As all members of the National Party in this House have opposed the scheme and made our feelings known to the Federal Government, would the Minister enlighten the honourable member on the many steps taken by the Premier and himself on this vital matter?

Mr. SULLIVAN: If the Press report I have here is correct, the honourable member for Toowoomba North seems rather confused about the situation in the dairy industry. I want to refer to the Press report. It states—

"Dr. Lockwood said that the scheme required Queensland dairymen to make a \$3,200,000 subsidy to Victorian counterparts in the first year.

"I fail to see why this State should send anything to Victoria to support its industries," he said.

"It is unjust and it will kill the dairy industry in Queensland."

"Dr. Lockwood said every Queensland dairy farmer opposed the levy on whole milk."

But the final paragraph of the report is the one to which I take complete exception. It states—

"But neither the Premier (Mr. Bjelke-Petersen) nor the Primary Industries Minister (Mr. Sullivan) had given Queensland's support."

I would have thought that the honourable member for Toowoomba North might have discussed the matter with me if he thought I had not supported this opposition. I think that perhaps the situation needs to be made clear. The Queensland dairy industry does contribute substantially through equalisation to offset low returns from export surpluses of dairy products produced in Victoria and Tasmania. The extent of this contribution varies from year to year as production and prices change. However, I would point out that the existing equalisation schemes, which cover butter, cheese, skim-milk powder and casein, are voluntary. They have been in operation as long as I have been dairying, and that is a damned long time. They rely solely on the co-operation of dairy factories that enter into formal agreements to participate in equalisation. There is no comparison, and Governments, neither Federal nor State, are not involved in any way.

It would appear that the honourable member for Toowoomba North is also under a misapprehension concerning the levy on milk. That levy has nothing to do with equalisation but is simply imposed to finance administration, to provide funds for promotion of dairy products and to finance dairy research. The levy totals 6.3c per 100 litres of milk and, of this, 0.8c is used for research, 1.9c for domestic sales and promotion and

3.6c for administration and overseas promotion. On an estimated milk production in Queensland of 600,000,000 litres, the Queensland dairy industry's contribution would amount to around \$378,000, not \$3,200,000.

I have consistently backed the Queensland dairy industry at the Australian Agricultural Council and elsewhere in opposition to the inclusion of market milk in equalisation. Further, my Director of Marketing, on my instructions, also strongly opposed any suggestion that market milk should be included in any scheme which might be considered by the Industries Assistance Commission. The report of the commission is not yet available; however, the evidence given is public, and I shall make a copy of my department's evidence available to the honourable member should he care to read it.

I go further and say that in the argument which took place relative to the levy on market milk at the meeting of the Australian Agricultural Council, I was the only Minister who opposed the scheme in its entirety, and I did that on behalf of the dairy industry, representatives of which had discussed the matter with me previously. Mr. Sinclair indicated that, as I had outlined it, any levy would only be for the administration of a newly constituted corporation. As I said earlier, the report of the Industries Assistance Commission and the report of Sir John Crawford have not been released, but they will be discussed at the meeting of the Agricultural Council on 8 October.

I think I have put the record straight. My door is always open to any member who wishes to come along and discuss matters, and I think it ill behoves members to rise in this Chamber and be critical when they do not know the basis of what has taken place. If they do that, they must cop the answer that comes back.

EXTENSION OF TEACHERS DISPUTE TO OPPORTUNITY SCHOOLS

Mr. TENNI: I ask the Minister for Education and Cultural Activities: Is it correct that strikes by school-teachers have now spread to opportunity schools and, if so, would he agree that, by using unfortunate retarded children as a means of trying to have re-employed teachers who have been convicted on drug charges, the Queensland Teachers' Union is sinking to the lowest

possible level? Further, will he acquaint the House with his views on such deplorable action taken by the union?

Mr. BIRD: I have noted, of course, that the Queensland Teachers' Union has now sunk to the depths of calling out on strike teachers employed at opportunity schools. Never would I have believed that even Mr. Costello could have sunk to such a low level. We know, of course, that he used his casting vote to bring about strike action, but, as I say, I would not have believed that he could have sunk so low as to call out teachers in opportunity schools.

Mr. Alison: It's a disgrace.

Mr. BIRD: An absolute disgrace. Furthermore, I am amazed that I am now receiving from schools information to the effect that minorities of as low as 18 teachers out of 64 are deciding to go out on strike. Where in that is the democracy to which the Queensland Teachers' Union alleges it subscribes? If the union decides to hold a strike with only a very small minority voting in favour of it, that shows only that Mr. Costello's stand on this matter is not, and I repeat "is not", being supported by the great majority of teachers at the great majority of schools throughout the State.

PRIME MINISTER'S SUPPORT OF BRISBANE FOOTBALL TEAM

Mr. YOUNG: As I was extremely concerned with a statement by the Prime Minister that appeared on the front page of yesterday's "Telegraph", I ask the Minister for Justice and Attorney-General, as a former Wests A Grade Rugby League player, whether he is aware of this statement and whether he is concerned that the Prime Minister has taken a partisan attitude to next Sunday's Easts v Wests Grand Final in Brisbane by declaring his unqualified support for Easts.

Mr. LICKISS: I did read an expression of moral support from the Prime Minister for the Easts team. This seems to have had its genesis at a breakfast function last June. Whilst I respect the Prime Minister's usual impeccable judgment on most matters I would quietly remind him that decisions taken at breakfast meetings are not always sound. I am sure that the Leader of the Opposition would not quarrel with me on that. Further, I would suggest to the Prime Minister that Easts will require more substantial forms of muscular Federal aid if they

are to be the victors next Sunday. Finally, I would ask the Prime Minister to join Wests for dinner very soon so that he can again taste the fruits of success and victory. I am also sure that the local warm Wests support from my parliamentary colleagues, namely Messrs. Miller, Greenwood, Lowes, Young, Moore, Porter and Lindsay, as well as my own, will in some way offset the faint echo of support from the blizzardly cold South.

Mr. SPEAKER: I can only say that they are very lucky that Redcliffe is not in the competition.

DETERIORATION OF LIVINGSTONE SHIRE
COUNCIL ROADS DURING
DEFENCE FORCES EXERCISES

Mr. HARTWIG: I ask the Minister for Local Government and Main Roads: Commencing on 8 October, a huge ANZUS exercise will be held at Shoalwater Bay by the Armies, the Navies and the Air Forces of Australia and New Zealand and the Army, Navy and Marine Corps of the United States. It will involve 11,000 troops and 40 ships, including the huge aircraft carrier "Enterprise". The Livingstone Shire Council, the local residents and I are concerned at the pulverising of these roads by tanks, 2,000 odd vehicles, and transports carrying thousands of tons of stores. These roads have not been sufficiently—

Mr. SPEAKER: Order! I ask the honourable member to come to the question.

Mr. HARTWIG: I repeat that the holding of this major exercise is causing concern to the Livingstone Shire Council, and I think that the Defence Forces, and to some extent the Federal Government, must shoulder a share of the responsibility in this regard.

Mr. HINZE: I thank the honourable member for asking the question. I am aware of the Australian Defence Forces exercises that he refers to. I undertake to discuss the problem with our Federal colleagues, because there is a precedent that where increased traffic occurs owing to growth of industry, local authorities request and require those involved to make contributions towards the maintenance of the roads concerned.

In this instance the road referred to by the honourable member is a gravel pavement. Undoubtedly it will suffer a severe

pounding. In these circumstances I believe that the Livingstone Shire Council should receive some compensation from the Commonwealth Government. I shall make representations to our colleague Mr. Killen.

GATEWAY BRIDGE FINANCE

Mr. JONES: I ask the Minister for Local Government and Main Roads: Is he aware that in Federal Parliament this morning the Minister for Transport accused him of playing politics over the financing of the Gateway Bridge? The Honourable Peter Nixon said, "I sometimes think that Mr. Hinze's mouth is bigger than his body." Is the Minister aware that his old mate Peter also said, "If Queensland does not get the bridge, it will be because of Mr. Hinze's own failure to organise the finance"?

Mr. HINZE: I have been informed of the question asked in the Federal Parliament this morning by the honourable member for Griffith. It was a Dorothy Dixier to our old colleague Peter Nixon in the Federal Parliament, the Minister for Transport. The question went like this: "Is he aware of Mr. Hinze's attitudes and statements to the Commonwealth Government, with particular reference to the Gateway Bridge?" I believe that anybody who wears the mantle of Minister for Main Roads in Queensland will always have to adopt to either a Labor Government or a Liberal-National Country Party Government in Canberra the attitude that I adopt. The very simple reason is that it is nearly impossible to get the people in Canberra to understand Queensland's road requirements.

This year the Bureau of Roads recommended that we should get something like \$140,000,000 for our roads. We ended up with only \$90,000,000. Under those circumstances there is no way in which anybody will be able to meet the requests and demands from local authorities in Queensland for road construction.

As to Mr. Nixon's references to me and my ample dimensions, all I can say is that I see little difference between Peter Nixon and Charlie Jones. The only real difference is that Peter Nixon smiles when he calls me nasty names. I should like to say to Peter Nixon that he will receive exactly the same treatment from me as Charlie Jones received, because I will never stop putting up cases on behalf of Queensland for roads in this State.

ENTRY OF MR. HAWKE TO
PARLIAMENT

Dr. LOCKWOOD: I ask the Deputy Premier and Treasurer: In view of reports that Mr. Hawke, the President of the A.L.P., will defer his entry to Federal Parliament at this time, does the Treasurer think there is a possibility that Mr. Hawke may be invited to fill one of the seats presently occupied by A.L.P. members? If he remained the president of the A.C.T.U., would the Treasurer expect unprecedented industrial lawlessness in Australia?

Mr. KNOX: The announcement made by Mr. Hawke that he did not wish to enter Federal Parliament at this time owing to various pressures that have been applied to him is somewhat unusual. I have no doubt that if the Leader of the Opposition here invited him to join the ranks on that side of the House by replacing one of his colleagues, they would be delighted to have him.

A Government Member: The honourable member for Bundaberg.

Mr. KNOX: I am quite sure they would all be prepared to stand aside for Mr. Hawke.

Mr. Burns: Speak for yourself.

Mr. KNOX: I can see what the feeling is over there. If indeed, as one of my colleagues suggests, he is to replace the honourable member for Bundaberg, of course he will have to pay the honourable member's levy, the compulsory levy to the A.L.P. which it imposes upon its parliamentary members as a prerequisite to their endorsement.

But let us look at this as a very serious matter. When the A.L.P. leaders can say to the public of Australia that they can pick and choose the seats they want, where does the public stand? It is the people in this democracy, not the hierarchy of political parties, who decide who is to become a member of Parliament. Mr. Hawke says that he is not going to take a seat in the Federal House at this time but that at some other time he is going to pluck one off the shelf.

Is that the way the A.L.P. looks at Parliament? Of course it is! It regards Parliament as a cipher and thinks it can fill seats at will with whom it wishes, with no concern at all for the welfare of the people it claims to represent. It does not matter to Mr. Hawke or the A.L.P. which seat it

is; they will just pluck one off the shelf. There was a system in the House of Commons under which people used to buy and sell seats. It was abolished many years ago. It might well be that the A.L.P. is involved in that sort of snide operation today.

DISMISSAL OF TEACHERS CONVICTED ON
DRUG CHARGES

Dr. CRAWFORD: I ask the Minister for Education and Cultural Activities: As it was announced in today's newspapers that the rolling strikes today will be at Petrie Opportunity School, the Carole Park Primary School and the Acacia Ridge State High School, and as it is well known that these strikes are organised by union organisers going around the schools and calling emergency meetings, has he any figures which set out the schools throughout the State which have voted not to strike, and could he give those figures to the House?

Mr. BIRD: I have not any figures showing the number of schools that have voted against strike action, because, firstly, I understand that the great majority of schools are not even interested in conducting a ballot. Secondly, I do not think one could get a true figure of the number of schools that have voted against it. The Press comes out and says that a school has voted to go on strike, whereas in fact the figures show that a very small number of the teachers have voted to go out on strike. In most instances, a small minority of teachers have elected to go on strike. I thought that democracy was in evidence if the majority voted for something and that was taken as the decision of all the persons represented at the meeting.

I am receiving more and more figures, and I have just been handed a copy of a newspaper and have been reading an article in it in which a school-teacher points out the manner in which the decision was taken at his school. Here we have the union saying that a school has voted to go out on strike when in fact a small minority of the teachers are the only ones who have elected to go out. From the information that I have received, the same thing has occurred at the schools that allegedly are on strike today. It is only a small minority of the teachers who are going out on strike, and I think this gives a clear indication—it should give a very clear indication—to Mr. Costello that he is flogging a dead horse. He has the tiger by the tail and does not know how to

let go, and, indeed, he is in very serious trouble with the teachers of this State who want to uphold the dignity and prestige of the teaching profession.

TRADING HOURS

Mr. YEWDALE: I ask the Premier: In view of the general agreement between the Retailers Association of Queensland and the unions engaged in the industry that there should be no changes in the trading hours in Queensland at present, and in view of the fact that there is no public demand for increased trading hours, will he discontinue his agitation in this particular area and desist from disrupting the industry?

Mr. BJELKE-PETERSEN: The honourable member is, of course, quite wrong in saying that there is no agitation in this regard from the public. In certain areas the public have consistently sought such extended trading hours. As honourable members are aware, they operate in other States and other cities, and in Tasmania there is no restriction in any area. However, certain decisions have been taken by the Government and no action is being taken at present. That is the decision of the joint Government parties.

AVAILABILITY OF GOVERNMENT MAPS

Mr. LANE: I preface a question to the Minister for Survey and Valuation by advising him that earlier this year I asked his predecessor a question concerning the possibility of making maps prepared and published by the Government readily available to the public through outlets other than the map sales section in George Street and that the then Minister replied that the matter was then being examined. I ask: Is the matter still under examination and, if so, what is the present position?

Mr. GREENWOOD: The matter is being examined. At the present time my officers are preparing a submission based on the operations of Her Majesty's Stationery Office in London. When the submission is forwarded to me and investigations into it are completed, I shall be taking a submission to Cabinet.

RETENTION OF CONSORTING SQUAD AND MOTOR THEFT SQUAD

Mr. LANE: I ask the Minister for Police: Will he give an assurance that in the current so-called decentralisation of C.I. Branch activities the essential Consorting Squad and

Motor Theft Squad will be preserved to maintain constant interest in these areas of specialised criminal investigation?

Mr. NEWBERY: The whole matter is being investigated at present, so at this stage I am unable to give such an assurance.

PORT OF BRISBANE AUTHORITY BILL

INITIATION IN COMMITTEE

(Mr. Miller, Ithaca, in the chair)

Hon. A. M. HODGES (Gympie—Minister for Tourism and Marine Services) (12.1 p.m.): I move—

“That a Bill be introduced to provide for the constitution of a Port of Brisbane Authority and its powers and functions; to provide for vesting in the Authority of assets and assumption by the Authority of liabilities and obligations, the establishment of a Compensation Reference Tribunal and for related purposes.”

Honourable members will be aware that a Bill to provide for these matters was laid on the table of this House in April last. The Bill now before the Committee provides for some minor changes to the earlier Bill.

The main purpose of the Bill is to set up a port authority for Brisbane. That this proposal has been made the subject of adequate public review and comment would be the understatement of the year. It first hit the public eye when the strategic plan for the port, prepared by my department, was tabled in this House in February 1975. That plan, amongst other things, proposed the setting up of a port authority for Brisbane more or less the same in principle as set down in this Bill.

Some 50 copies of the strategic plan were made available to organisations interested in the operations of the port and, while the plan drew criticism from some organisations, I can say that there has been not one objection to the proposal to set up a Brisbane Port Authority.

The total tonnage of cargo handled through the port of Brisbane is expected to treble by 1990. It is therefore imperative that the port expand its facilities to meet this increased trade.

The existing facilities in the port, which are scattered, have been carefully evaluated and it has been concluded that, if Brisbane is not to stagnate, it must be but a matter of time before it will have to undertake

developments at the river mouth, whether or not investment has already been made upstream.

Nearly every river port in the world which aims at keeping abreast of the changing demands of trade patterns has moved or is moving to deeper water down river. It has therefore been decided that the necessary expansion of the port can best be achieved by constructing entirely new installations at Fisherman Islands. Such a development will create fewer environmental problems than if the additional traffic forecast is handled by development of the existing port area, or elsewhere on the north of the river.

To satisfy the increasing trade and to meet the requirements of larger container vessels about to use the port work should commence immediately on providing access to Fisherman Islands and the construction of one container and one general cargo berth at the new port site.

The urgent need for this expansion, the urgent need for the changes involved, the need that these things take place efficiently and the need that the best use be made of resources available all add up to one thing—that a port authority must be established without delay. The authority must have wide powers to control development, manage operations and market the port's new facilities.

The authority will be a public corporation outside the regular framework of Government and the Public Service in order that it may bring the best techniques of private management to the operation of a self-supporting public enterprise of extreme importance to the productivity of the region it serves.

I believe it would be counter-productive for this legislation to enunciate policies the authority must follow and the Bill makes no attempt to do this. The authority will be a responsible body with an awareness of the Government's concern with the success of its policies and of the need that Government be involved before undertaking the large investment necessary for the future of the port and for the benefit of the large community it serves.

The Bill allows the port authority to appoint committees not only from among its members but from the community at large to receive objective and expert advice on matters of importance. Such committees, I expect, will deal with, among other matters, future planning, industrial policies, environmental considerations and the promotion of trade.

I should point out that not only is it highly desirable that the port authority be formed now so that it may properly supervise the urgently needed development at Fisherman Islands but, insofar as this Bill seeks the approval of Parliament to the partial closure of the Boat Passage so as to provide road and rail access to the new port site, none of the urgently needed development can commence until this Bill becomes law.

Members can be assured that environmental issues have received full consideration initially in the Port of Brisbane Strategic Plan to the extent of the study involved and later in much more detail in the master plan study by expert consultants in this field. The favourable conclusions reached on the environmental impact of the establishment of new port facilities on the Fisherman Islands are gratifying to me, and will ensure that the peaceful living of residents in the vicinity of the port will be preserved. In co-operation with the Main Roads Department and the Brisbane City Council, future planning of access corridors will take cognisance of this important issue.

A further instance of good environmental planning to which I will refer later is the proposed crossing of the Boat Passage, incorporating a bridge to allow continued usage by most of the small-boat owners enjoying the recreational grounds of Moreton Bay.

Of particular interest, and I will refer to this later in more detail, the Bill provides for the constitution, when necessary, of a Compensation Reference Tribunal, appointed by the Governor in Council, to adjudicate on any claim against the port authority for loss or damage by reason of the port authority ceasing to keep any part of the Brisbane River port dredged to a particular depth.

This tribunal, constituted by a Supreme Court judge and assisted, if necessary, by one or more expert assessors, will hear and determine any claim that the port authority and the claimant have been unable to resolve by negotiation.

This democratic process is being set up to make it clear that any legitimate claims that the present port operators may have against any decision of the port authority to reduce the depths of water in the port that may deny them their business opportunities may be dealt with expeditiously by a special tribunal set up for that purpose.

In order to assist the committee in an appreciation of the contents of the Bill, I would now like to deal with its more important provisions. Firstly, I would like to point out that the Bill provides for powers and functions of the authority more or less in line with those provided under the Harbours Act for harbour boards in Queensland. The main difference is in the constitution of the authority.

Harbour boards comprise representatives nominated by local government, usually seven or eight in number, with two Government nominees. This structure recognises that harbour boards serve definable districts made up of local authorities.

The port of Brisbane handles trade from and to all parts of the State and northern New South Wales, and the local government district system is consequently not appropriate. It is therefore proposed that the Port of Brisbane Authority be more commercially orientated with all members appointed by the Governor in Council. The composition is similar to, although not the same as, that prevailing at the ports of Melbourne and Fremantle.

The port authority will be bound by various provisions contained in the Harbours Act for the control and administration of harbour boards and, accordingly, the port authority will require the approval of the Minister administering the Harbours Act to the leasing of any of its harbour lands or the leasing or licensing for a period of more than one year of any of the authority's wharves, cranes, warehouses and the like. In the same manner the approval of the Governor in Council will be required before the port authority may sell any of its land.

The powers of the Governor in Council under the Harbours Act to suspend or rescind any resolution, notice, direction, requirement or order of the harbour board or to prohibit the expenditure of any moneys from the harbour fund or any other fund upon any work which he deems unnecessary or unreasonable under the circumstances will also apply in respect of the port authority.

The port authority will be a corporate body fully geared to operate as effectively as any major and efficient private enterprise, with a commercial style of management directed to improving the commerce of the State and the city of Brisbane in particular. It will be engaged in commercial activities

needing adequate powers for dealing in land, entering into agreements, and managing the finances of a large commercial organisation.

The Bill provides that the authority shall be composed of nine members ordinarily resident in Queensland comprising two ex officio members and seven other members. The two ex officio members will be the Director, Department of Harbours and Marine, who would represent the Government (bringing to the authority a wide experience in maritime matters and an appreciation of Government policy) and the General Manager of the port authority.

In other ports throughout the world the policy adopted by private enterprise of appointing executive members has proved successful because of the executive's intimate knowledge of the affairs of the authority.

The Bill provides that the General Manager of the Port of Brisbane Division of the Department of Harbours and Marine shall be the first general manager of the authority. This member will have a similar position to that of a managing director in private companies.

The other members of the authority will be:—

- *Three persons, being persons of ability, experience and integrity. No particular expertise other than an association with trade or commerce has been specified in order to give the Minister the widest possible field in nominating the persons most suitable.
- *One person nominated by the Brisbane Oversea Wharflowners Association on behalf of all owners of wharves in the port.
- *One person (not being the owner of a wharf) nominated on behalf of business engaged in the operations of the port. I would expect this person to be selected from organisations representing stevedoring, land transport, customs agents and shipping.
- *One person nominated by the South Eastern District Local Government Association from the elected members of the Brisbane City Council and the contiguous local authorities, which are the councils of the cities of Ipswich and Redcliffe, and the shires of Albert, Beaudesert, Esk, Moreton, Pine Rivers, and Redland.
- *One person drawn from the field of organised labour in Brisbane. The promotion and establishment of good labour

relations between management and employees is basic to profitability; and the knowledge of the inherent difficulties in this delicate area is only acquired from direct personal experience. Such a person would contribute towards a better understanding by the port authority of union attitudes, and more importantly the role of the authority in its commercial operations would be better communicated to the work-force. This arrangement exists in Melbourne and Fremantle and is working well.

The procedure to be adopted in seeking nominations for membership of the authority requires the Minister to call for three nominations from the Brisbane Oversea Wharf-owners Association; from each association of persons that, in the Minister's opinion, represents business engaged in the operation of the port; from each association of persons that, in the Minister's opinion, is representative of and associated with trade or commerce; from the district Local Government Association; and from each association of persons that, in the Minister's opinion, represent organised labour within Brisbane.

If the Minister is not satisfied that nominations made are suitable, he may make his own nomination, and appointments to membership are then made by the Governor in Council on the recommendation of the Minister. It would, of course, be my intention to recommend appointment to the authority of the most competent persons available. Whilst I can make no attempt to indicate to the Committee precisely what organisations will be approached to submit nominations, honourable members can be assured that they will not be confined to city organisations or to country organisations, but will include those organisations significantly involved in the trade and operations of the port of Brisbane.

All persons nominated to the Minister for appointment are required to declare the extent of their business interest that stands to be benefited directly by the operations of the port.

This selection mechanism for the members can be regarded as democratic while at the same time providing that the final selection from the various panels is made by the Governor in Council on the recommendation of the Minister.

The Bill provides that the Chairman and Deputy Chairman shall be appointed from the members by the Governor in Council.

The Bill provides that at the end of the term of appointment during which a member attains the age of 70 years he shall retire from office unless the Governor in Council at his sole discretion decides he may continue.

The Governor in Council may remove from office a member other than a member *ex officio*, if—

(a) he is made bankrupt.

(b) he becomes incapable of discharging his duties.

(c) he is incompetent or unfit to hold office.

(d) he becomes a servant of the port authority.

The grounds for removal from office are normal and self-explanatory.

The Bill provides that the general manager or any other person who was an officer of the Public Service prior to the appointed day shall on appointment to the port authority cease to be such an officer, but whilst he remains in the employment of the port authority shall retain all entitlements of long service leave and superannuation benefits. I shall point out later that officers of the Public Service may, but will not be obliged to, transfer to the employment of the port authority.

All members, other than the general manager, shall be paid fees and allowances as approved by the Governor in Council from time to time. All members shall be paid expenses incurred in the discharge of their duties as approved by the port authority.

The Bill gives to the port authority all the powers and authorities of a harbour board conferred by the Harbours Act as well as additional powers imposed by this Bill, including the power to form committees of persons not members of the authority to inquire into and advise on matters of concern to the authority.

Under the Harbours Act, all harbour boards in Queensland may establish and carry on the business of a stevedore. Brisbane is the largest general cargo port in Queensland and the third largest in Australia. A very large investment in the new port facilities, which would be beyond the capacity of any private operator in Brisbane, can be envisaged for the port authority, for which a reasonable return must be obtained. It is essential, therefore, that the authority,

by contract or by joining with the private company, set the guide-lines for efficient operation in the best interests of the community and not necessarily in the interests of profitability in each port operation at all times.

The awareness that healthy competition is essential for productive operations and will encourage shipowners to make greater usage of the port and its facilities also demands—and the Bill so provides—that the port authority have power to engage either directly or indirectly in stevedoring, particularly in cases where, owing to the limited size of the operation, healthy competition is not possible, or in the initial stages of a new development when profitability may be low.

In this context, it should be remembered that the port authority will have resources to cross-subsidise operations during the early stages of consolidating its position, which may not be available to purely private operators. It is also in the context essential that the port authority be established with strong commercial expertise upon whom reliance can be placed to make commercial policy decisions and management arrangements in the best interests of the port and its community.

Road and rail access to the Fisherman Islands can only be provided by a crossing of the Boat Passage. A full-length causeway is by far the least expensive form of construction. Objections have been raised, mainly by the boating fraternity, to complete closure of the Boat Passage on the grounds that the passage is a haven and passage-way for small boats in bad weather.

The Moreton Bay Trailer Boat Club, with nearly 1,000 members, can be regarded as having a view which represents the attitude of all small-boat owners. This club has advised the Department of Harbours and Marine that a bridge opening with a three metre (or 10 ft.) clearance above high water would satisfy the need for a haven and passage in bad weather.

The Bill provides for the partial closure of the Boat Passage with this clearance dimension over a distance of 30 metres, or about 100 ft. Larger boats, launches and deep-keel yachts would not have trouble using the river entrance in bad weather, and could safely navigate along the channel seaward of the Fisherman Islands. I should point out that the causeway with a bridged opening with three metre or 10 ft. clearance proposed is estimated to cost \$4,125,000 compared with the cost of a similar causeway with no navigable opening of \$2,326,000.

The Bill gives to the port authority the power to employ its own staff. Until such time as the authority can make the necessary arrangements, it is essential it be given staff experienced in port authority matters. Such staff are available in the Department of Harbours and Marine, and it is proposed

they may be assigned by the director of the department to perform these duties at the cost of the port authority.

It is desirable that the port authority, when constituted, proceed to engage its own staff as early as possible. The assigned officers of the Department of Harbours and Marine will be given the opportunity of remaining within the Public Service and being transferred to other duties or of transferring to the staff of the port authority and retaining their accrued benefits.

The Bill provides that the port authority may delegate any of its powers, functions, and duties to any of its members, officers or employees.

The financial provisions contained in the Bill including the raising of loans are virtually a repetition of the corresponding provisions contained in the Harbours Act applicable to all harbour boards in Queensland, but with some minor modifications. As the port authority will be managing and controlling the Cairncross Dock a Graving Dock Fund is to be established wherein the financial transactions of the dockyard will be recorded.

The provisions contained in the Bill dealing with the conduct of authority meetings are the normal type provisions and follow similar provisions contained in the Harbours Act in respect of meetings of a harbour board. Any member of the port authority who has a pecuniary interest, direct or indirect, in any contract or matter being considered at a meeting of the authority must disclose the fact and withdraw from the meeting where the matter is being discussed.

The Harbours Corporation is at present the statutory authority under the Harbours Act controlling the port of Brisbane and it is not intended to change the boundaries of the port upon the formation of the Port of Brisbane Authority. The Bill contains provisions relating to the transfer of assets and liabilities presently belonging to the corporation in relation to the port of Brisbane, from the corporation to the port authority.

However, the transfer of ownership of the dredger, "Sir Thomas Hiley" may not be desirable in the interests of all Queensland ports. The dredger was acquired to provide a maintenance dredging service to all Queensland ports with usage in the port of Brisbane being estimated at six months per year. Before any decision is taken on future ownership, the Bill provides that the port authority, the corporation and the Crown enter into negotiations concerning the ownership and future use of the dredger in order to ensure that the dredger will be available in the future to service northern ports as well as Brisbane. The Bill provides that the Governor in Council will determine the matter.

I will now refer to the provisions of the Bill dealing with the Port of Brisbane Compensation Reference Tribunal.

With the ultimate construction of new port facilities on the Fisherman Islands, the port authority may well find it financially desirable to reduce dredging in the Brisbane River consistent with the demands for flood mitigation.

Certain of the wharf owners in the Hamilton Reach, in particular, are either tenants of the Crown or tenants of the corporation in respect of their land leases.

If the port authority allowed the river channels up to the Hamilton Reach to silt up or dredging was reduced with consequent lesser channel depths, the port authority might be liable to pay compensation to such wharf owners, and the Bill provides the mechanism for determining any claims that may be made. A reference tribunal will, when required, be constituted by a Supreme Court judge either alone or with specially skilled assessors to hear and determine any claim which has not been satisfactorily settled by prior negotiations.

The final provisions contained in the Bill require the port authority to report through the Minister to Parliament on its operations throughout each year.

Honourable members will note that the purpose of this Bill is to provide for the port of Brisbane the type of port management that is generally accepted throughout the world—a management that is responsible to the Government and the community for the efficient operation and expansion of a port of such vital importance to the city of Brisbane and its hinterland and indeed the whole of Queensland and Northern New South Wales.

To meet the needs of larger shipping expected to commence calling at Brisbane early in 1978, the earliest possible start should be made to construct suitable berthage at Fisherman Islands. I must repeat that until this Bill becomes law no work can commence on providing road access to the new port site and consequently no work can commence on the urgently needed berthage. I commend the motion to the committee.

Mr. BURNS (Lytton—Leader of the Opposition) (12.25 p.m.): No-one who works in the Brisbane port area and is interested in the development of the State would object to the decision to build a new port for Brisbane. The need for it has become obvious to most people who work there. I was talking yesterday to some of the unionists who work in that area, and they believe that the port would slowly die if it were not moved to a location out of the river. The report of the Federal Transport Minister given to Parliament in February of this year, in which he said that Brisbane is one of the slowest ports in the world, or second only to Sydney in Australia, was an indication that something had to be done. Everybody in the industries involved is pleased that something

is being done, and it is to be hoped that there will not be any delay in the commencement of work on the port itself.

While talking of the need for a new port, I must mention some of the delays and frustrations being experienced by people in industry because of the current monopoly at the container terminal at Hamilton. It is very obvious that the area is not big enough to handle the volume of transport, and people complain that they have to wait many hours to obtain a container. If a truck or a semi-trailer waits for hours for a container, it is fairly obvious that the cost is passed on somewhere along the line, and usually the worker is the one who pays.

The port has gradually been moving down the river for years, and the new port at Fisherman Islands will be in the electorate of Lytton. As member for Lytton, I say that the people of Lytton welcome it, but we want it as a good neighbour, not as a bad neighbour. We want it to be a clean, environmentally controlled port. We hope that the transport facilities—road facilities and rail facilities—will be built in such a way that the well-being of the people who live in the area, and who have lived there for years, will be taken into full consideration.

I hope, too, that the port will provide greater export opportunities, that the economic studies that have been made in the production of this strategic plan are correct, and that the suggestions of additional work and additional export opportunities made in those studies are correct. When one talks to wharfies, seamen, pilots, customs agents, tug-masters, economists, storemen and packers, painters and dockers—all the people working around the port—one finds that there are a number of criticisms of the strategic plan. Without trying to slow down the passing of the Bill and the introduction of this authority, I think that some of their questions should be answered.

Firstly, many of the people who work on the water are worried that the authority is concerned only with the dry side of the bollard. Both masters and seamen are concerned about what they believe is proper port control. They say that the strategic plan seems to deal only with Fisherman Islands and the dirt, and they suggest that there is a pressing need for some concern to be expressed about the area between Caloundra and the port and the use of the river itself.

They tell of some very harrowing experiences as a result of lack of port control over the past few years. There is not much evidence of consultation with them. I have been shown a large number of letters that they wrote to the former Minister and the indication is that their suggestions have received little or no consideration. They wonder now why no person who is concerned with the safe operation of a ship each day—tug-master, skipper, or pilot—has been approached to be a member of the port authority.

It is obvious that it is not only what happens at the wharves or at Fisherman Islands that is important; bringing the ships in and out is a matter of major importance. With an oil refinery established on each side of the river, the questions of safety, fire precautions, and so on, are very important. I believe that the very valuable experience possessed by pilots and masters of large vessels within the area should have been used originally, and it certainly should be used in future in relation to the new port complex.

Doubts have been expressed by these people. They worry about the safe operation of vessels in the area in north-east winds. Because of the way in which the port is designed, it will mean that large container ships will be entering port with the north-east wind behind them. I am told that, because of the size of the container ships, they could be in trouble coming in with the wind behind them and the tide against them. I am also told that the prevailing south-east winds will cause berthing problems. Container ships in particular, with their large, high sides, which act more as sails than anything else, will have trouble berthing. They will need bollards set farther back. Pilots and masters say that matters such as these should have been taken into consideration, and they would have liked to make submissions on them. It could be said that within the port there is someone with the necessary expertise to put such suggestions forward. If so, that person should have been a member of the strategic plan committee.

Mr. Hodges: This will be the responsibility of the authority after it is formed.

Mr. BURNS: I realise that, but decisions have been arrived at on matters that are now in the past. These people have been left out of it. They should have been consulted.

Another question they ask is: has a complete hydraulics survey been undertaken of the effect of the wharves and cuttings on the flow of water? They consider that, if it has not been, such a survey is a must, because it could well be found that under certain conditions the port is unsafe thereby placing limitations on the operations of vessels and reducing the port's effectiveness. They stress the need for ensuring that the port is an all-tide, all-weather port seven days a week.

I asked these people to give me an illustration of a port that does not come into that category, and they referred to Port Stanvac, which is located 30 miles from Adelaide. Vessels spend as long as seven days standing out to sea waiting for wind and weather to abate so that they can come alongside the berth. It is not suggested that such a thing would occur at Fisherman Islands; nevertheless it is contended that certain problems could arise and that a solution to them should be found.

These people would like to be involved in these matters. Their accumulated experience may well prove beneficial in the determination of the layout of the wharves, swinging basins and dredged cuttings.

For example, they mentioned the problem created by jelly-fish. I laughed when they began talking about jelly-fish, but they stressed that jelly-fish posed a major problem at certain times of the year by choking the inlet valves of vessels near the mouth of the river. This results in a black-out on board. No machinery can be operated, hence no lights are on and no fire-fighting equipment is in a usable condition. In other words a ship on which this occurs is a dead ship. It is most undesirable to have an oil tanker or a passenger ship placed in such a predicament.

They told me of an incident concerning a tanker berthed recently at the Ampol wharf. Divers had to be called in to clear the main inlets on both sides of the vessel.

Mr. Newbery interjected.

Mr. BURNS: I would point out to the former Minister for Marine Services, who has just interjected, that masters told me this as recently as this morning. They claimed that divers were called in to clean out the inlets and that when that was done the pilot on board the vessel moved it into the middle of the river and swung it around to proceed to sea, only to find that the inlets had again become choked up. The divers had to be called in again to clear them. If the Minister is calling him a liar, I would point out to him that this man is the chairman of a marine group associated with the port operations.

Mr. NEWBERY: I rise to a point of order. I did not call him a liar. All I did was shake my head with surprise.

Mr. BURNS: I apologise to the Minister; I thought he was shaking his head to indicate that this did not happen. I am assured it did occur and that it can occur as the result of the infestation of jelly-fish near the mouth of the river.

However, I get back to my main point that the knowledge of these people in shipping operations in the area is of tremendous value. I am sure that if someone asked you, Mr. Miller, if you had given any thought to the problem of jelly-fish in this area, you, like the Minister, would have shaken your head.

The residents of the Lytton area have expressed concern at many aspects of the proposal to establish the new port. They expressed concern to the previous Minister about the state of the roads in the area, and through you, Mr. Miller, I convey their concern to the present Minister.

Doubts have also been expressed about the control that will be exercised over areas outside the limits of the new port. It appears

that the port authority will have no responsibility on other than Harbours and Marine land. Who will decide that only Lytton Road up to Junction Road will become an export road? The people in my area think that such a decision is the right one, but they predict that problems will arise if the matter stops there. For example, something must be done urgently about the Gateway Bridge, but even before that the Bulimba Creek bridge near the Hemmant Police Station must be upgraded. Semi-trailers carrying a 30-tonne container should not be forced to use that bridge. Obviously it has to be replaced. Furthermore, the tight corners that presently exist on the road must be straightened to a certain extent.

Problems will come soon with the development of the port area. Huge quantities of sand, gravel and other building material will be transported to it. The only evidence of road-works at present is the widening of a stretch known as the "mad mile" and other works of a temporary nature. Furthermore, Kianawah Road has been widened. These roads would seem to some to be the logical route to follow to the new port. If so, a large volume of heavy traffic will pass schools at Cannon Hill, Tingalpa, Wynnum West and Lindum as well as the aged persons' home and Iona College. The people of Murarie, too, will be adversely affected by the movement of huge trucks through their area as the port is constructed.

One of the reasons given for shifting the port from its present location was that 5,500 commercial vehicles and semi-trailers per day were servicing the existing port. As we can count on at least 5,500 extra vehicles using Wynnum and other roads, we can be sure that major traffic problems will arise. I do not know that the proposal to stop the export road at Junction Road will cause much trouble for me, but I will let the honourable member for Bulimba look after that matter because the area after Junction Road is in his electorate. He will have to handle major problems on behalf of the people there. Environmentally the port will be bad news for the people in this locality, with all these additional trucks passing through the area.

I am worried about the railway line. We have been told that the Ampol spur line will go further down and swing off to the port. We understand that coal, wood-chips and so on will pass through the port. I do not know if the Minister is familiar with the area but he would find it worth while to make himself familiar with the Ampol spur line. People have lived adjacent to it for years with only one train a day or a week passing by. Suddenly people in this quiet locality will have to put up with dozens of trains. Because we are destroying the environment—and any impact study will show that—it is our responsibility to provide baffle walls to control the noise. It is obvious that noise-control features will have to be provided because the trains will be running day and night. Not only will people be

shaken out of their homes but they will not get a good night's sleep if we do not provide protection for them.

This morning the Minister for Local Government was accused in the Federal Parliament of talking big and doing nothing. I asked him by letter about the Gateway Bridge and he replied on 12 August in these terms—

"The need for construction of this bridge and approach roads is fully recognised.

"It is simply not possible to fund a project of this magnitude from the level of funds received by the State under the current roads grants legislation. You would be aware, of course, of the severe reduction of funds to the States caused by the implementation of this legislation by the previous Commonwealth Government."

The Government cannot pass the buck like that. Many of the people who work the present port live on the north side of Brisbane. If under this legislation we do not do something about transport for them as the port develops they will have to travel through the Valley, Kangaroo Point and many other residential areas. The port itself justifies abandoning the old idea of building a bridge at New Farm first. If we started building the Gateway Bridge now, it would provide access for the workers and for all the north-side industries that will use the port. In that way the Government would be providing relief for all the people who use the Story Bridge or live and work in the Valley area and who will suffer when the industries at Hamilton send goods across the Story Bridge.

Mr. Hodges: Do you think that a big commercial ferry would help out immediately?

Mr. BURNS: It certainly would.

At one stage someone suggested that a down-river hydrofoil should be used on the river. We have to guarantee the workers that they can get to the new port economically. The James Holt ferry could not cope with the increased traffic. We really need a bridge; ferries are not the complete answer.

The men at Cairncross Dock are seeking an assurance from the Minister that dredging will be continued to maintain the river depth and so ensure continuity of work for them. Wharf owners whose facilities will be affected by lack of dredging have been offered assistance. People in the Hemmant area, where large areas of land are below high-tide level, are concerned that if the river channel is not dredged their land will be more prone to flooding.

People associated with the Cairncross Dock are worried about the height of the Gateway Bridge and the depth to be maintained in the river bed. They seek assurances from the Minister, which should be forthcoming at the second-reading stage.

The Opposition is concerned that the Government has done nothing so far about housing workers in this area. It seems that the people who prepared the strategic plan were worried only about the port and Fisherman Islands and did not look further than that. The report anticipates that 2,000 extra workers will come to the area. Men like to live near their jobs, but imagine what an effect 2,000 additional residents will have on the area. They will be looking for houses, which are not there. The Housing Commission advised that it owns about 11 acres of land off Sibley Road and a small area in Manly West. Quite frankly if that area were completely built on now, the homes would be taken up by those people who are already on the waiting list for Housing Commission homes, before any wharries or seamen are shifted into the area. So some assistance is needed in housing.

I believe that, as the port is being built in the Fisherman Islands area, Wynnum should get the hospital that was promised to it back in the 1940s. Now is the time for the hospital to be provided. There will be all these additional workers and the medical needs that will be associated with the work. With the extra transport on the roads, there will be the possibility of accidents. It seems to me that, with the establishment of the port, health services should receive a higher priority.

We are concerned about the area set aside for coal-loading. I wrote to the Minister about this. He wrote a long letter back to me explaining that all the safeguards would be built in. The people who man some of the ships that go to the coal-loading ports tell me that some of the dust can travel for miles. One of the factors that the Government should consider in this respect is that Borthwicks was among those who protested about the establishment of a cement works on Parker Island some time ago, because they were concerned that the industrial fall-out from the cement works could permeate into their meatworks, causing them to lose overseas contracts or to have meat condemned when it got to market. They would probably share the concern I am expressing today about the coal-dust threat.

I am told that at times the dust travels seven miles at Hay Point. I do not know whether that is true or not; I have never been able to test it. However, if that is so, coal dust will travel to Borthwicks on north-easterly winds, and carry well into the Eagle Farm area on south-easterly winds. The environmental effect of coal dust is important and the public needs some assurance that it will be protected.

An economic committee at the university posed a number of questions about the new port. I will list some of them so that the Minister can answer them, because I think a lot of problems raised by the public will

be solved if they can be answered here, before emotionalism takes over outside. The questions are—

(1) Does the port development plan form part of the over-all regional development plan for the area?

(2) Were representatives of the Brisbane town-planning authority, the Department of Civil Aviation, the Department of Main Roads and the Railways Department represented on the committee that drew up the strategic plan?

(3) What was the cost of producing the strategic plan drawn up by the Department of Harbours and Marine?

(4) Where did the port planners in the Department of Harbours and Marine gain their experience in large-scale port planning?

(5) Was a full environmental impact statement prepared on the port development?

(6) Did it take into account the possible harmful effects of road and rail transport in nearby suburbs as well as the effects on the Fisherman Islands area?

(7) Will he make a full copy of the environmental report available to the public?

(8) As the strategic plan suggests a work-force of 2,000 workers, how was the figure arrived at and what is the expected work-force in the various categories, such as wharries, storemen and packers and seamen?

(9) Was any study done of the present residential distribution of waterfront employees?

(10) Was any study done of future housing needs?

(11) What are the department's answers to the matters raised in the reports of the Economics Associates Ltd. after studies undertaken for the shipowners?

The Minister will remember that report was critical of the strategic plan prepared by the Department of Harbours and Marine.

Those questions, I believe, call for answers and if they can be supplied at the second-reading stage, I would appreciate it.

After a series of public meetings that were held right throughout my electorate at the time the first strategic plan was brought down, I believe the people of Lytton—and the people of Wynnum, similarly—would welcome the port on the basis that they want to live as good neighbours with the port. We expect it to be there. We believe it will be beneficial to the district. However, we are concerned about all those questions relating to the environment—housing, health, the safety of our children on the roads and a quiet environment in schools for their study. We hope that protection will be afforded by the port authority that is being established under this Bill.

Mr. LANE (Merthyr) (12.44 p.m.): I am very happy to have the opportunity to speak in the debate on this legislation so vital to the development of Queensland, and particularly its south-eastern corner. It will ultimately have a great effect on the people who live within the electorate of Merthyr. I represent a riverside electorate. Much of the activity of the port of Brisbane presently takes place on the boundaries of my electorate. Naturally, it has an effect on the residential areas of the electorate that overlook its industrial activity.

I was very pleased when the Government, acting on the advice of the joint Government parties, decided to allow the Bill to lie on the table for a few months to give the people at large an opportunity to comment on the intended legislation. I am not sure that that procedure, which has been employed by this Government more frequently in recent times, is as yet clearly understood by the public at large. It is an approach that could be termed open government. It is an attempt to give people an opportunity to participate in government. It is a commendable move. The Government should be acclaimed for it.

I am sure that, like the rest of us, the Minister received a number of submissions, suggestions and criticisms; I believe most were suggestions of a positive nature on the legislation. Some of the suggestions have been accommodated in the legislation. Much material has been forwarded which I hope will be read and studied by members of the authority when it comes into being, so that they will know the views of the people concerned in the future day-to-day activities of this port. Some of the submissions and suggestions for change came from a number of pressure groups and, in addition, proposals were put forward by lobby groups. It is perfectly valid that this should happen. A number of Government members have met with some of the lobby groups involved and have learned quite a deal.

The people who will be vitally interested in this port have adopted the attitude that they would place most of their faith in the right personalities and representation being on the authority. Personally, I am a little cautious about this approach but I can understand that a person outside Government circles could well see that as being the best protection to ensure that the authority places emphasis on the matters that will best serve them and the community.

Personally, I would prefer that the legislation contained some policy guide-lines; certainly guide-lines of a broad nature. I do not believe that it is desirable to enter into such a large venture as this with management controlled by specific policy guide-lines contained in legislation; but the legislation should contain something of the broad intent of the authority and the philosophy of its

approach. I would like something in the legislation to emphasise the role of private enterprise in this authority, because the Government that is bringing in this legislation adopts a private-enterprise approach and, as such, represents the view of the Queensland community.

When the port is established and the authority is set up it will probably have power equal to that of the Brisbane City Council. It is said that the ultimate capital outlay for the new port could be in the vicinity of \$200,000,000. So it is important that it take the right direction initially in terms of policy.

I am happy that the Minister and Executive Council have an overriding power in respect of major decisions of the authority, particularly those on the direction in which the development of the authority should head. Some people in the industry have said that if initial emphasis in the development of the port is placed on a co-ordinated effort, incorporating a fast rail linkage to the South, transport would be improved. Containers could be taken off ships here and railed to the southern cities in a much shorter time and could even arrive there faster than if the ships are sailed to Sydney and unloaded there. By doing this, we might encourage container shipping to call into Brisbane rather than bypass it and travel south. I am not an expert in these matters but if that is considered to be where the emphasis should lie in the development of the port, those decisions should be made very early in the piece. I think that those who have been given responsibility by the electors should be the ones to make the overriding decisions in such major policy matters.

I should also be interested to hear at the second-reading stage the Minister's explanation of the way in which the allocation of space in the port of Brisbane will be handled. I understand from the Minister's introduction of the Bill that at least some of the area will be leased to private operators. If I misunderstood him, I hope he will correct me at the second-reading stage. If space is to be leased, how will such decisions be made? Will tenders be called?

Mr. Hodges interjected.

Mr. LANE: I gather from the Minister that no decision on this matter has yet been made. I take it that a recommendation from the authority will be awaited and that a decision will then be made. I thought that that would be the case in respect of specific areas, but how will space over all be allocated? Will areas be leased to private enterprise to be developed from raw reclaimed land? Will some initial facilities be provided by the authority and will the space then be leased? Will the whole installation be constructed by the authority and then leased or rented? Will some major installations be both constructed and run by the authority?

Mr. Hodges: All those options are open.

Mr. LANE: I am wondering if the Government has decided which it will adopt or whether it is intended to make that decision later.

If space is allocated to private operators, will any special consideration be given to those who have a major interest in the port at present because of the extent of their capital investment in it? Will they be given any start, as it were, when space is allocated or will they have to compete under some form of tender system? I think that is a big question that is causing some people concern at the present time. Those who are hoping to have their present advantageous positions preserved are also concerned that the present bulk installation should remain for some years.

On this rare occasion I agree with the Leader of the Opposition that there is need for concern over the monopolies at present operating in the port of Brisbane. The development of the new port provides an excellent opportunity to break down the monopolistic situation that presently exists. I refer to the monopolies held in the port by both the private wharf owners and the unions. There have been many instances of industrial intimidation of businessmen in the community, especially by the Storemen and Packers' Union either directly or through their representative on the waterfront committee.

When the new port is established I do not think that Mr. Adsett should be allowed to preserve his position on the wharves. That one man is in a position to blackball customs agents and people who have a right to get their cargoes off the wharves. They can be blackballed and intimidated as a result of the system devised and operated by Adsett on the wharves.

Looking at industrial relations, I would be interested to hear how it is intended that that aspect of operating the port will be handled, and whether ultimately some form of industrial consultative committee will be considered, through which the representatives of private owners could have discussions across the table with the representatives of organised labour. There might perhaps be an industrial relations office to handle disputes which could disrupt this port in the future. I think we must think ahead on these aspects because there is little point in investing something like \$200,000,000—

Mr. Hodges: It has the power to form any committee it so desires.

Mr. LANE: I gather from what the Minister says that that decision has not been made either. In due course the authority will make recommendations, and then decisions will be made. Perhaps that is the best way, but I would like to think that we are at least aware of some of the problems on the horizon and that we are thinking about them.

Mr. Hodges: That is why we want a very good and competent committee in the first place.

Mr. LANE: Yes, we certainly do.

As I said, the wharf owners are prepared to place faith in the personnel appointed to the committee and will look to them to represent their points of view. The Government has to place its faith in the individuals appointed to the authority in its name and, provided these are the best and most competent individuals we have at our disposal, I suppose this is probably the best we can do. Before it places these representatives on the authority, I would like the Government to consider going elsewhere than the Public Service in selecting the Government representatives on the authority.

Mr. Hodges: They won't be from the Public Service.

Mr. LANE: Well, there will be some Government representatives, and I am suggesting to the Minister that it might well be considered that applications should be called on a world-wide basis so that we can get the most competent people possible to participate at board level on this authority. Many of us are acquainted with Mr. Peter Welding, who was brought from Great Britain to sit as the executive officer on the Metropolitan Transit Project Board, an authority which is in many ways similar to the proposed port authority. I think we as a Government are advantaged by having experienced people brought here from overseas, so I do not think we should close our doors to that proposition. I know we have many skilled people within our system, and I am sure many of them will play their part in the development of the port—probably many of them in senior positions—but I think we should try to broaden our outlook in terms of Government appointees and advertise on a world-wide basis in order to obtain the very best people to assist with this scheme, because it is a mammoth scheme in which there is little room for error.

I was pleased to hear the Minister mention that persons who have a pecuniary interest in matters being discussed by the authority will have to withdraw from discussions on those matters. I have noticed that more and more in recent years this type of restriction is being written into our legislation. It has been written into the Metropolitan Transit Authority Act, and I would like to see it introduced into many more areas of Government administration, including the Parliament and the Cabinet.

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

Mr. LANE: I wish to make only a few brief comments in the short time still available to me.

It is hoped that the proposed legislation will facilitate the speedy and efficient movement of cargo from its point of origin to

its destination. If that objective is to be achieved, it will be necessary to ensure that there is maximum access to port facilities, not access through only one bottle-neck, whether that bottle-neck is caused by one monopolistic private-enterprise body controlling the entire port frontage or by a monopolistic union hierarchy that has the power to impose black bans and to intimidate the small user and prevent him from obtaining his goods freely. At present, trucks take seven hours or more to obtain delivery of one container. Some of the responsibility for such delay lies with the present wharf owners, but a large part of it lies with the union hierarchy. I hope that these factors will be kept in mind when the authority is set up.

Other matters about which I am concerned are the need for plenty of space for low-profile stacking, the availability of plenty of equipment within the port, and a number of other items directly touching on the port installations. One matter that I should like to deal with very briefly is the need for road access from one side of the river to the other at the mouth of the river.

For many years my predecessor as member for Merthyr advocated the construction of a cross-river tunnel so that goods and passengers could travel freely from one side of the Brisbane River to the other. I hope that the Government, which has the overriding responsibility in this respect, will explore the possibility of establishing a tunnel beneath the Brisbane River instead of the Gateway Bridge. I believe that a tunnel would be the best type of crossing in that area. It would not interfere with the flight path of aircraft; it would not needlessly disrupt present established residential areas.

There is now plenty of evidence from overseas—from Hong Kong and other places—showing that a tunnel works quite well. At one stage, one of the arguments being put forward against the construction of a tunnel was based on safety—the fact that if an oil tanker or a vehicle carrying a flammable cargo had an accident and exploded within the tunnel, it could cause great loss of life and great damage to property. In my opinion, problems such as that could be overcome, and I advocate that the Government, in going ahead with the new port installation, should also consider establishing a cross-river road link beneath the bed of the Brisbane River in the form of a tunnel near the mouth.

Progress reported.

BUILDING SOCIETIES ACT AMENDMENT BILL (No. 2)

INITIATION

Hon. N. E. LEE (Yeronga—Minister for Works and Housing), by leave, without notice: 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 Building Societies Act 1886-1976 in certain particulars.”

Motion agreed to.

INITIATION IN COMMITTEE

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

Hon. N. E. LEE (Yeronga—Minister for Works and Housing) (2.21 p.m.): I move—

“That a Bill be introduced to amend the Building Societies Act 1886-1976 in certain particulars.”

In line with undertakings previously given by me as the Minister responsible for the administration of the Building Societies Act, I have caused regular reviews to be made of society operations and of legislative provisions in force in this State.

Consideration is being given to consolidation of this particular Act and a close watch is also being kept on amendments to similar legislation in other States as well as preliminary moves towards uniformity of legislation between the States.

Recently two States, namely, Western Australia and South Australia, have followed the lead given by Queensland in updating and improving their legislation on building societies.

As a result of these regular examinations of current legislation in this State, it has again been considered necessary to move for the amendment of the Building Societies Act in certain particulars.

This step, which is not taken lightly, has been brought about by this Government's desire to provide for progressive administration as circumstances warrant it and to reflect present-day thinking and policy with respect to this important area of commercial activity.

In the last 10 years in particular, this State has seen a mushrooming of permanent building societies, to such an extent that they have emerged as one of the leading housing finance institutions, rivalling even the traditional lending institutions in this field.

Such rapid growth requires amendments to legislation from time to time to keep pace with changing conditions and trends.

There is no doubt in my mind, and I am sure every honourable member will agree with me, that the building society industry is a very significant part of our economy, providing, as it has done over a long period, a great deal of the moneys required by tens of thousands of Queenslanders to obtain their own homes.

It is an industry that assists in the well-being of our people and the economic growth of our State. It has ramifications extending beyond the bounds of the building industry.

The building society industry can only continue to provide these moneys to assist people and the economic growth of the State if it is given the flexibility and the freedom to operate responsibly in a free-enterprise environment. This, in part, is what these amendments to the legislation set out to achieve.

Understandably, the dramatic growth of building societies, to which I have already referred, has not always been a smooth and problem-free one. It has operated under many constraints in the past and been subject to outside factors and influences over which it has often not had control.

Like most business organisations, from time to time it has had its temporary downturns. I am confident that the industry's problems of the past, having been squarely faced up to, have been overcome and the people of this State can look forward to the future, as I do, with renewed strength and confidence.

As I mentioned earlier, there is need for building societies in this State to be given a degree of flexibility to operate responsibly in the best interests of all their members while at the same time pursuing their basic object of providing finance for home-ownership.

An examination of all available information has revealed that under rigid controls which have existed in the Building Societies Act since 1968 in respect of loans, and since 1972 in respect of shareholders' and depositors' funds, these organisations have had only limited opportunity to conduct their affairs in a manner which would enable them to raise funds at cheaper rates than currently prevail (although rates lower than the maximum prescribed could have applied) or to seek longer-term institutional-type funds at competitive rates. These latter moneys, given a balanced portfolio of investments in building societies, could reasonably be expected to give an added measure of stability of operations.

The effect of prescribing statutory levels of interest which a society may pay for moneys invested in it, and which it may charge for moneys advanced by it, is that there is a tendency for interest rates to be, at times, much higher than the market forces would perhaps otherwise allow.

With the exception of New South Wales, Queensland is the only State in Australia which controls rates of interest applicable to building societies. In this State both ends of the scale are pegged, that is, the borrowers' rate (presently 11½ per cent per annum) and the shareholders' and depositors' rates (currently 9½ per cent per annum). In addition the margin between the two levels is set. In New South Wales only the lower rate is fixed at 9 per cent per annum.

It is the intention of the Government to reduce the rate of interest a society will be permitted to pay for shareholders' funds

subscribed to it, from 9½ per cent per annum to 9 per cent per annum. This rate of interest will still far exceed the best available rate for moneys up to \$50,000 units invested other than for lengthy fixed terms.

It is also the intention to lift controls on the rates of interest that can be paid for moneys deposited with societies, for terms of not less than two months and in respect of advances to members, but at the same time maintaining in the legislation the power to restrict these rates at any time by Order in Council.

The Government anticipates that, as a consequence of this action, efficient and well-managed societies will, within a short space of time, move to lower interest rates to borrowers below the current level, and that the member who is seeking or has obtained a loan from these building societies will reap the benefit of his choice of society.

This move, which has been well considered, is a major shift in policy and, in the circumstances, is justified.

I can assure honourable members that a close watch will be kept over interest rates charged by building societies. I will not hesitate to re-impose controls where unreasonable non-competitive rates are being charged, or where exploitation is shown to exist in particular areas, such as the existing borrower who is locked in.

I will not tolerate new business being arranged at a lower interest rate unless the total rate payable by existing borrowers in the same category is similarly reduced.

In conjunction with these amendments, the Bill before this Committee provides for a number of changes and new requirements.

All permanent building societies, from an appropriate date in the future, which may be altered by Order in Council, will be required to maintain a capital reserve fund of not less than 0.25 per cent of total liabilities of the society existing at the commencement of the preceding financial year.

The rate and the years in respect of which the reserve is to apply may also be varied by Order in Council, either in respect of all societies or in respect of any particular society as circumstances warrant. In time, this will allow for a considerable reduction in the contributions payable to the contingency fund by societies, because the need for payments out of the contingency fund will reduce as reserves are established, which will enable societies to overcome periods of adverse operating conditions.

A registered society, in future, will not be permitted to charge any interest on a loan approved by it until such time as some part of the money has been advanced to the borrower for a purpose for which the loan was approved. Up to now, some societies have been charging interest from the prior date of approval. This will cease.

In all cases where a society approves an application for a loan, it will be required to notify the borrower of details of the loan, including—

The rate of interest and term of the loan;

The total amount of interest payable by the borrower over the full term;

Whether or not the rate of interest or the term, or both, can be varied;

When interest commences to accrue;

The amount of payments to be made; and

The amounts of all costs, fees and other charges paid or payable by the borrower in respect of the loan.

There will be no hidden contingencies anywhere. This could be likened to the requirements under a hire-purchase agreement.

The amendments ease the burdensome and very costly requirements (over \$50,000 in some cases) of written notice to each and every member (borrower and shareholder alike) of meetings.

Existing provisions relating to ordinary meetings and permitting notification by public advertisement are extended to all meetings. The number of advertisements, the contents, the publications, the size and the timing of advertisements would be prescribed by regulations.

In addition, it will be a requirement that the society's audited accounts, statements and reports be available at each office of the society and be furnished on written request to any member, depositor or creditor of the society not less than 14 days from the date of each annual general meeting.

Every permanent building society will be required, in each calendar year, to furnish to the registrar a forward budget statement to be prescribed by regulation. In addition, a monthly report on the business operations of each society, compared with its budget, is to be furnished.

A further amendment provides that the Permanent Building Societies Contingency Fund Committee may, in respect of any pre-accepted loan made to the contingency fund, vary the rate of interest payable on such loan. Previously this rate, once determined, was fixed until fully repaid.

Further amendments provide for clarification of the membership of persons in a society that transfers its engagements to another society and to exclude directors, in particular circumstances, from the requirement to vacate office. This latter provision, which relates to practising solicitors, conveyancers and registered valuers performing legal or valuation work in a professional capacity for the society, was previously contained in regulations to the Act.

I commend this motion to the Committee.

Mr. K. J. HOOPER (Archerfield) (2.35 p.m.): Let me say at the outset that the Opposition does not seek to obstruct the legislative programme of this Parliament, but I put it quite bluntly: the Opposition has had a good deal of flash legislation presented at a second's notice for instant debate, to authorise administrative incompetence.

Last year the Opposition raised the matter of the skulduggery that was taking place in the building societies, but it is quite obvious that nothing was done. I first raised the matter in this Chamber in August last year. It took the present Minister five months to get off his backside and do something about the situation. Frankly he did not understand what was going on in the building societies.

Mr. Frawley: You don't either.

Mr. K. J. HOOPER: I knew what was going on. As a matter of fact I say, in all modesty, that everybody will agree that the changes in the building society industry and the legislation introduced last year were my baby.

With scant warning and no prior knowledge of the contents of the legislation, the Opposition is forced to make a snap judgment on the merits of that legislation.

Mr. Campbell: That would be hard.

Mr. K. J. HOOPER: It would not be hard. Fancy the Minister for Industrial Development, Labour Relations and Consumer Affairs coming in. I will be kind to him. He is retiring next year. I will not get him off side. He is going out in a few months. As a matter of fact, at the recent caucus meeting—

The CHAIRMAN: Order! The honourable member will come back to the Building Societies Bill.

Mr. K. J. HOOPER: We are asked to speak and vote on behalf of thousands of Queenslanders without the courtesy of consultation or the right of investigation.

Why is this secretive legislation suddenly so urgent? Only recently we were asked, with the same urgency, to legalise the parliamentary malpractice of the honourable member for Cook and now we are being asked to place the seal of this Parliament upon a further episode of either Government mental failure or building society malpractice. I am sure that it is building society malpractice.

The building society industry still has many sins of omission. In no area of administration has Government confidence been more sadly missing than in building societies. After the promises of last December that interest rates would be reduced, they have been increased twice this year because of Federal and State Government interference.

I would classify this legislation as legislation by stealth. The Opposition is given very little chance—

Mr. FRAWLEY: I rise to a point of order. I draw your attention, Mr. Hewitt, to the fact that the honourable member is reading that speech word for word.

The CHAIRMAN: Order! The honourable gentleman will not read speeches.

Mr. K. J. HOOPER: I am not, Mr. Hewitt, and that is quite obvious.

The building society industry in this State leaves a lot to be desired. Many questions have been unanswered. As a matter of fact, last year I asked the Minister for Works and Housing 25 questions and if anybody wants to see an exercise in evasion, he should read the answers to those questions. They are completely evasive.

The white-collar crooks whom I exposed last year are still being protected. The Merediths, the O'Sheas and the Coulsens are still being protected as, I might add, are the directors of the United Savings Building Society. Neville Keith Meredith, Desmond Paul O'Shea and Clarence Edward Coulsen and all of the directors of their permanent building society should be in gaol. But they have been protected because they either are prominent members of the Liberal Party or have contributed heavily financially to the coffers of the Liberal Party. There are no two ways about it—the Liberal Party and the National Party in this State are very soft on white-collar crooks. As I have said previously in this Chamber, the Premier is on record as saying that white-collar crime does not exist in Queensland. We all know that the Premier lives in a fantasy land and that most of his statements are tainted by the League of Rights and are usually written by Eric Butler or one of his stooges.

To prove my statements—two of the gentlemen I mentioned last year and exposed last year as being white-collar crooks in the building society industry—Neville Keith Meredith and Desmond Paul O'Shea—recently, according to the Australasian tax report for May of this year, had costs awarded against them amounting to \$45,000 in the State of New South Wales for malpractice concerning tax returns. Yet these two gentlemen are allowed to run wild in Queensland and remain free to exploit the people of this State.

Mr. Dean: It is disgraceful.

Mr. K. J. HOOPER: It is disgraceful, and nothing is being done about it.

In previous speeches on building societies, I have made reference to the fact that the Queensland Permanent Building Society had not produced its balance sheet for the year ended 30 June 1975. The Minister for Works and Housing, in his usual smart-alec way

said, "That is right." I am telling the Minister again now that it is right and that he knows it is right.

I have here a copy of the 19th Annual Report and Balance Sheet of the Queensland Permanent Building Society, dated 30 June 1975. The auditors say in their report that the rules and the company law have not been adhered to because the report issued by this permanent building society was issued three months after 30 June.

I also raise the problem concerning the Rix Building on the Gold Coast. Honourable members will recall that on two previous occasions I referred to the rorts and rackets associated with the sale of this building. The man who sold that building is now a member of the Go'd Coast City Council. He is a prominent member of the National Party and he is widely tipped to succeed the honourable member for Surfers Paradise at the next election. I refer to Alderman Norm Rix.

On 25 March 1976 I asked the Minister, among other things, this question—

"Is he aware of the sale of the Rix Building, situated on the corner of Nerang and Scarborough Streets, Southport, for the sum of \$1,200,000 to a permanent building society and, if so, what was the name of the society?"

Just listen to the erudite answer!—

"Details of the matters raised by the member for Archerfield would not, in the normal course of events, be required to be lodged in the office of the Registrar of Building Societies."

This is what the auditors of the accounts of this building society had to say—

"The Asset Revaluation Reserve in the Balance Sheet of Queensland Permanent Building Society as at 30th June, 1974 was \$124,653. The Asset Revaluation Reserve of the merged Societies has been partially utilised to write off costs incurred in the mergers and the loss on the forced sale of liquid assets during the October, 1974 problems.

"Your Directors have examined the values of the properties connected with the mergers and have written down by \$225,000 and by \$32,361 the values of the Rix Building, Southport and 26 Nerang Street, Southport, respectively, which has reduced the Asset Revaluation Reserve to nil."

There is a scandal if ever I heard one. I hope the gentlemen of the Press take particular note of it and expose these white-collar crooks. They need exposing and some of them should go to gaol. The Minister, of course, needs a smack over the knuckles by the Premier for his evasiveness and his condoning of white-collar crime in building societies.

An Opposition Member: He should be sacked.

Mr. K. J. HOOPER: Then they would probably appoint someone better and make it harder for me!

There is also the scandal connected with the Bowkett scheme in building societies. All building societies with an attached Bowkett have had problems. There are many such problems associated with the five building societies taken over by the S.G.I.O. Recently I had a call from a gentleman whose son has money invested in a Bowkett and who has to wait another five years before he can withdraw it. This is a scandal. Most of the salesmen who sold the Bowkett scheme are con men.

Mr. Lee: He can thank the Government that at least he will get dollar for dollar back.

Mr. K. J. HOOPER: That is true, but he still has to wait for it. The records of some of the building societies that I exposed in the House must have been in a sorry mess.

The Minister gave a long preamble in his introduction of this measure but the crux of it is interest rates. The margin between borrowing and lending rates is being increased. This indicates that the societies cannot survive.

Mr. Lee: Why do you say it has been increased?

Mr. K. J. HOOPER: There is a hidden message in the legislation and I am coming to it. In September of last year "The Courier-Mail" published an article under the heading, "Cabinet agrees to interest rates drop." Cabinet then decreased interest rates. Then, of course, in March of this year they were again raised. The newspaper headline was, "Home loan rates rise on Monday." There are therefore still many malpractices associated with building societies. The Minister knows this but all he does is make it easier for some people to fleece the borrowers.

Mr. Alison: I am finding it difficult to follow you.

Mr. K. J. HOOPER: Of course the honourable member is. That is understandable because there is nothing between his ears.

The interest rate they are getting now is very low, probably because the rate of growth of societies is declining, and has been declining since October last year. The building societies are getting less perks on things like insurance associated with loans. The question is: when and where is it going to stop? Are building societies going to come back later for further increases in their margin if their funds continue to grow at a much slower rate than in the past? It is most unfair that the societies are making borrowers pay to keep them in the style to which they have become accustomed.

When funds were growing much more rapidly, the societies thought that everything was rosy and that there would never

be any trouble in the industry. But, of course, the events of last year proved them wrong. The reason for this legislation is obvious: the building societies want to remain competitive with alternative investments. I think the Minister would agree with me on that. They want to continue to draw new funds and hold the funds they presently have because the lending rate has already been increased as a result of the increase in the borrowing rates. This means that the poor unfortunate borrowers—the people the Opposition is interested in—are paying for the societies' insatiable lust for size and increased growth.

Mr. Hales: That's the wrong page.

Mr. K. J. HOOPER: It's the right page.

Present practices in the industry mean that the societies must have continued growth for their survival. If the societies were realistic they would have rearranged their borrowing rates and they could have done this months ago. This is a case of closing the stable door after the horse has bolted. If the societies borrowed money for a certain time, say, six months, 12 months or two years, they would not have to adjust their rates upwards every so often to remain competitive. They would not have the fear that all their money is going to rush out to someone paying a slightly higher rate, as in the case at present. A significant proportion of their funds would be fixed investments for a definite period. This is most desirable, and I ask the Minister to take this suggestion into consideration. If this were done, it would tend to increase the efficiency of building societies and stop all this competition between the Queensland Permanent Building Society and the Metropolitan Permanent Building Society.

Most of the problems facing the Queensland Permanent Building Society have resulted from its insatiable greed and its desire to grow and be as big as the Metropolitan Permanent Building Society. If the societies had reorganised their borrowing so that they were not completely vulnerable to outflows of money at call, the periodical rip-off of the borrowers could be avoided.

What has happened about the promised increase in staff of the Corporate Affairs Commission? The Minister promised this, but I have not noticed any increase in the staff or any increase in the efficiency of the department.

A Government Member: You don't look much, do you?

Mr. K. J. HOOPER: It is not a matter of looking much; the Government has not done very much. It is only since I raised the matter last September that the Government seconded two members of the Fraud Squad to the staff of the Corporate Affairs so that they could keep an eye on some of these white-collar crooks. If I had not raised the matter, this would not have occurred.

I did notice that the commissioner advertised for additional staff early in June, but up to the present time I am not aware that any appointments have been made. Let the Minister deny that. Is that true?

Mr. Lee: I wasn't listening.

Mr. K. J. HOOPER: The Minister never does. There is not much between his ears.

The CHAIRMAN: Order!

Mr. K. J. HOOPER: What I said was that in June of this year the Corporate Affairs Commission advertised for additional staff, but that as yet I am not aware if any new appointments have been made. Perhaps the Minister could advise me.

A Government Member: Incorrect; absolutely incorrect.

Mr. Lee interjected.

Mr. K. J. HOOPER: Has the Minister decided against an increase in staff because of pressure brought to bear on him by the building societies which want to hide their operations from the public gaze, or was the advertisement a shabby publicity stunt? I will be interested to hear the Minister's reply.

I have noticed that the State's largest building society, the Metropolitan Building Society, is continuing the well-established industry practice of the half-truth. The society's annual report—I hope the Press take particular notice of it—states that strong investment support increased total assets from \$200,294,000.51 to \$233,245,000, which is a rise of 16.4 per cent. To the uninformed reader, like the honourable member for Murrumba, this indicates that the public of Queensland supported the society by investing an extra \$33,000,000 during the year. This statement is financial hocus-pocus, because a careful reading of the society's balance sheet shows that as at the end of June members had contributed only an additional \$11,000,000. The other \$22,000,000 that the society would have us believe represents strong investment support from the public came from special non-current mortgage borrowings, presumably from a financial institution. I would be interested to know which financial institution. That was misleading and dishonest—

Mr. Jensen: Are they still investing with building societies?

Mr. K. J. HOOPER: I certainly would not invest in building societies. Anybody with sound business sense would not invest in them, either. It is misleading and dishonest of that society, the Metropolitan Permanent Building Society, to pretend that the public invested an additional \$33,000,000 when two-thirds of that money did not come from the public.

Mr. Jensen: It is a disgrace.

Mr. K. J. HOOPER: It is a shocking disgrace; it is a public scandal.

An Opposition Member: Deceitful.

Mr. K. J. HOOPER: To say it is deceitful would be a very mild way of putting it. There are still a lot of white-collar crooks in the building society industry.

It also is incredible that the directors of a society that has total funds of \$233,000,000 chose not to explain clearly to their members where the major part of the society's growth in funds came from. As a matter of fact, as far as the building societies are concerned, there is something rotten in the State of Queensland.

When legislation was introduced in March of this year, Sir Gordon Chalk, who was then Treasurer, made a plea for the Press to play down the problems in the building societies when I exposed some of the rorts that were taking place. Companies such as Stratford Homes, of which Neville Keith Meredith and Desmond Paul O'Shea were directors and which had a paid-up capital of \$8, were obtaining a loan of \$250,000 from the Great Australian Permanent Building Society, of which Neville Keith Meredith and Desmond Paul O'Shea were also directors. I think all honourable members would agree with me that if one had a company with a paid-up capital of eight \$1 shares and obtained a loan of \$250,000 that would be pretty good business. That is one of the rorts that went on.

Building societies had their moneys invested in nursing homes. We all know the scandal that existed there. What did the Minister do? Nothing! It was brought to his attention, but he did nothing. As a matter of fact, but for the Treasurer making that plea to the Press at that time—and I am not casting any aspersions on the journalists who work at Parliament House; it was an executive decision by Queensland Newspapers Limited to play the matter down—some of these white-collar crooks would have been exposed and the Fraud Squad and the Office of the Commissioner of Corporate Affairs could have moved in and people such as O'Shea and Meredith would now be in gaol.

Mr. Lee: When you found that the Trade Union Building Society was in trouble, you pulled your horns in very quickly, didn't you?

Mr. K. J. HOOPER: That is not true. I did not know anything about the Trade Union Building Society.

It also is significant that not one member of the Government in this Chamber rose to his feet and made any mention of the Trade Union Building Society. It was not up to me to expose that society; it was the Minister's job. Because of his administrative incompetence, he allowed that to go on. I say to the Minister, as I have said before, that he is a pleasant enough fellow, but on the score of ability he should be on the farthest back bench in the Chamber—probably sitting beside the honourable member for Cook. He is a failure and a flop.

If the Premier was doing his job, I think he would sack the Minister for Works and Housing.

The Bill was introduced in great haste. We do not know what is in it till we study it, but I promise the Minister that the Opposition will certainly be debating it in detail at the second-reading stage.

Mr. ALISON (Maryborough) (2.54 p.m.): Some of the proposed amendments outlined by the Minister are long overdue, and I congratulate him on bringing them forward.

I tried to follow the speech of the honourable member for Archerfield, in the hope that there might be something constructive in it, but I could not quite follow his tortuous logic. He was up to his usual caper of rubbishing a very important industry in this State and, for that matter, in Australia—an industry that finances, if my recollection is correct, most of the housing built in this State. There was nothing constructive in his speech. It was full of tortuous logic, and he threw muck around in bucketfuls.

Mr. Frawley: He is going to get a job as a pig-swill tipper.

Mr. ALISON: That might be his calling; I do not know.

Opposition Members interjected.

The CHAIRMAN: Order! I have made two appeals for order, and these appeals will be respected.

Mr. ALISON: The Minister has said that the controls on interest rates to borrowers and term deposits would be lifted. This pleases me. I think the Minister made the point that Queensland is the only State in which interest rates are pegged at both ends, that is, to borrowers and depositors. If my memory serves me correctly, in only one other State is either interest rate pegged at all. I welcome this move. I realise, of course, that our socialist friends on the Opposition benches will cry that this will mean that interest rates to borrowers will rise; but this has not been the case in other States, where interest rates have been free and have been allowed to rise and fall as market pressures demand. It is healthy to have this free enterprise at work, provided it does so within the guide-lines of the Act.

The Minister referred also to the establishment by societies of statutory reserves, to grow, apparently, to 0.25 per cent of the liabilities over a five-year period. As I understand it, this will be in addition to the contribution by the societies to the contingency fund. I welcome this, too.

Mr. Burns: It is improving their margins, isn't it? The 2.25 will now be 2.75.

Mr. ALISON: I shall have a few comments to make on that in a moment. The creation of a statutory reserve of 0.25 per cent of the liabilities will help strengthen the financial resources of the building societies.

One point that strikes me in relation to building societies is that the lowest percentage of overhead is found in societies with only one office, such as those in many of our provincial areas. They can be compared with some of the octopuses, if I might use that term, in Brisbane, which have branch offices scattered all round the place.

Mr. Jensen: They are like service stations; there is one on each corner. And we expect them to compete with one another.

Mr. ALISON: That is quite correct. This adds to costs, and unless the branches have a large volume of business they become a burden on the societies and pose many problems.

I will be interested to read the first financial statement of the S.G.I.O. Permanent Building Society, which took over five building societies that operated throughout Queensland. I will be keen to see how it is operating on this basis, which, as I understand it, is inefficient, for want of a better word. As I have said, such a society has a higher percentage of overhead than a small society with one office. It will be interesting to see whether the S.G.I.O. Permanent Building Society will be able to compete with other societies while at the same time maintaining a large number of branches throughout the State.

Mr. Jensen: They have cut out a lot of them. There's only one in Bundaberg.

Mr. ALISON: That's the point; there is still one in Bundaberg, as well as a number of other branches throughout the State.

I have mixed feelings about the amendment that makes it mandatory for building societies to lodge an annual budget with the registrar. Any business, whether it be a large concern or a corner fish and chip shop—I do not say that facetiously—has to operate on some sort of plan. It needs to have some idea of what its expenses and profits will be. If it is run by the seat of its pants, so to speak, it will end up in serious strife.

I am not opposed to the principle of making it mandatory for building societies to have an annual budget and to work on a monthly basis for cash flow and profit. I am a little concerned about the documents that have to be lodged with the registrar, namely, the annual budget and the monthly reports comparing estimated and actual expenditure. I presume that the information in the monthly reports will be kept strictly confidential. If it is not, building societies will virtually be giving away their financial secrets. What is to be done with the annual budgets? How closely will they be scrutinised by the registrar's officers? What is to happen if, in the opinion of the registrar, the financial management or planning does not appear to be satisfactory? I should like the Minister to comment on that. Will the registrar simply accept these documents and say, "The provisions of the Act

have been carried out" and not look into them further? I hope that the registrar will certainly look at them closely.

The other side of the picture worries me. This is like Big Brother looking over the shoulder of business. What is to happen next? Will we be looking at the Companies Act and insisting that budgets be lodged for certain companies? I should hope that any well-run company, building society or other firm runs to a budget. Of course, the bigger the business the more sophisticated its budget and financial planning.

Mr. Lee: In the past, a lot of the building societies did not do that.

Mr. ALISON: That is the impression I gained, and that is how some of them got into strife. I applaud this move but I should be pleased if the Minister would clarify the matters I have raised.

No doubt the Minister will continue to keep an eye on the financial market and, in consultation with the industry, lift or lower interest rates for depositors. I think I heard the Leader of the Opposition say that the lowering of the rate to depositors will give societies another half per cent. That is right. However, as a consequence, I should hope that the societies would lower borrowers' rates. That would seem to be a natural corollary.

Mr. Houston: They had to do that before; in future they won't have to.

Mr. ALISON: The honourable member says that they will not have to, but on my understanding that has happened in other States through sheer competition. If I know that I can borrow money at 11½ per cent from one building society I will hardly borrow from a society that would charge me 12½ per cent.

Mr. Burns: Every time interest rates have been raised hasn't the argument been that the societies cannot raise money because the interest rates are too low?

Mr. ALISON: I do not quite follow the honourable gentleman. I made the point earlier about the interest rates being reduced. If societies are having difficulty in raising money at 9 per cent I expect they will approach the Minister and ask him to increase the rate to 9½ per cent.

Mr. Houston: They do not have to do that; they can do it straight out.

Mr. ALISON: That is not my understanding of it.

Mr. Houston: The rate will be submitted after negotiation.

Mr. Lee: Only on certain moneys.

Mr. ALISON: This is the on-call money?

Mr. Houston: Yes.

Mr. ALISON: That is quite right. I understand it is left free on fixed-term money. That makes a lot of sense to me.

Mr. Houston: Two months or more is pretty open.

The TEMPORARY CHAIRMAN (Mr. Miller): Order! I ask the honourable member to address the Chair.

Mr. ALISON: It is my understanding that the bulk of the money held by building societies is on-call money. I may be wrong. We are talking about the bulk of the money held by building societies. I commend the Minister's proposals, some of which are long overdue, and I look forward to his comments on the matters I have raised.

Mr. BURNS (Lytton—Leader of the Opposition) (3.5 p.m.): Like the honourable member for Archerfield, I am concerned at the way these matters are rushed into the Parliament. Interest rates—and building society interest rates especially—are very important to a large number of people in the community. As a result, we should always make certain that measures affecting them are introduced in such a way that there is full public consultation and debate beforehand. In many ways the people in general feel that this Parliament has lost contact with them. By introducing Bills in this way—not even putting them on the Business Paper—the Government harms the institution of Parliament. It does not do itself any good. The public wonders why we have to rush legislation through in this way.

As I understand the Minister's speech, borrowing rates are being lowered, but lending rates are not. The Minister is saying that the permissible borrowing rate will be 9 per cent—

"It is the intention of the Government to reduce the rate of interest a society will be permitted to pay for shareholders' funds subscribed to it, from 9½ per cent per annum to 9 per cent."

However, as I understand it, the Government is doing nothing about the 11½ per cent that the societies are entitled to charge. The Minister went on—

"It is also the intention to lift controls on the rates of interest that can be paid for moneys deposited with societies, for terms of not less than two months and in respect of advances to members in the same way."

As I read that, in respect of advances to members on that short-term money market, amounts of over \$50,000 can be lent at 10, 11 or 12 per cent. Is it possible for money to be lent at better than 11½ per cent now?

Mr. Lee: What over?

Mr. BURNS: Over \$50,000.

Mr. Lee: They can only go 11½.

Mr. BURNS: Under this Bill being introduced today?

Mr. Lee: No.

Mr. BURNS: We will wait and see.

I believe that it is our responsibility to protect borrowers from the controllers and the manipulators of societies. I do not think all people involved in building societies are bad. I do not say that at all.

Mr. Lee: What about your mate?

Mr. BURNS: I think the honourable member for Archerfield has seen a lot of people in building societies act very badly. He has been conditioned by the way the Minister and others have tried to hide some of the facts. Some people in the Australian Permanent Building Society still have not received their money. Every day we receive letters from people who are waiting for money from the contingency fund that was promised earlier this year. It is impossible to convince those people that building societies are being run properly. People write to us and say, "My lad lost his leg in an accident and put the lump-sum compensation into a building society, which he thought was Government guaranteed because he was told by the people running it that it was Government guaranteed. He still has not got his money and now he is out asking each and every one of his relatives to keep him alive while he waits for his money to be repaid."

It is impossible to say to them honestly that building society management has all been good. The point I make is that not all of it has been bad. We must be honest about this. It is no good running away from the facts. Today people who invested in the Australian Permanent Building Society are still suffering because those fellows involved in the Co-operative Development Society—Sinclair and people like him—set out to use the building society movement for their own purposes and to use the money of these people for their own purposes.

We have a responsibility to protect the borrowers from the controllers and the manipulators of the societies. Most people borrowing money do so expecting that the Government will act to ensure that interest rates and charges will be kept at a reasonable level.

What worries me about this Bill is that only one month after Sir Gordon Chalk left the Parliament—the man who was always prepared to stand up to building societies—we find the building societies getting on top. They have finally succeeded with the argument that they have been putting up all along for an increase in their margin—an increase that Sir Gordon fought, and that anyone with any sense of responsibility had to fight.

At one stage just about every glass-fronted shop in Queen Street was occupied by a building society premises. In the old days a person walking down Queen Street would

go from retail store to retail store. Anyone who knew anything about business knew that that was where the big rents were. Nowadays it is one building society, one retail store and then two more building societies. It got to the stage where sometimes there were more building society advertisements on TV and radio—TV especially—than cigarette ads.

Good building societies have operated for years in this State and never once asked for an increase in their margin. They have been able to continue to operate year in and year out. Darling Downs is one such society. Over a period of time the Government has for some reason been considering increasing the margin to allow these people to take more out of the pot. I have read statements by the managements of companies. I know that some people have been making submissions. Probably some of them are in the gallery today. I asked a question of the Minister, and I really don't think I got an honest answer to it.

Mr. Lee: You always do.

Mr. BURNS: I don't think that the answer "No" that the Minister gave with a great big grin on his face to the first question upon notice yesterday was right. There have been meetings and there have been discussions.

Mr. Lee: There have been alterations.

Mr. BURNS: Well, there has been an alteration. The story has been around the town for some time that their margin would be increased to 2½ per cent. The dogs have been barking it. I asked a question about it. Meetings have been held and there have been discussions. The day Sir Gordon Chalk walked out of the Parliament, these people walked in and asked for an increased margin.

This is the variation in the scheme of things. In April 1971 the deposit rate was 7 per cent and the loan rate was 8 per cent. The margin then was 1 per cent. In July 1972 the borrowing rate dropped to 6½ per cent and the societies could lend at 7½ per cent. That gave a 1½ per cent margin. Today the Government is saying that the borrowing rate will drop from 9½ to 9 per cent but the societies can still charge 11½ per cent. We are giving the building societies an extra ½ per cent.

The Minister said that the permitted borrowing rate will be 9 per cent. If one society continues to pay 9½ per cent, none of the others will be able to get any money. People invest in these societies to get the interest. They will shop around. If one society offers 9½ per cent, nobody will go down the road and accept 9 per cent. I do not think it is on. Building societies have received money over the years because of the high interest rate offered.

For some time the building societies received a 1½ per cent margin and they seemed to be able to operate on that percentage. It

was said that because of the size of their funds a large sum was allowed for operating costs. If anyone criticised them and said that they were advertising too much or that they had too many shops in the town, he would be taken up town for a dinner and told that not a lot of money was involved. It is 1½ per cent of millions of dollars and that is a sizeable figure. Their advertisements indicating the amount of money they have proves that it is.

In September 1974 the borrowing rate was 10 per cent and they were allowed a margin of 1½ per cent, which made the lending rate 11½ per cent. In January 1976 they borrowed at 8½ per cent and lent at 10½ per cent, so their margin was 2 per cent. On 12 April this year the margin was increased to 2½ per cent and today—16 September 1976—it is being increased to 2¾ per cent.

I understood that the idea was that building societies would go into the market-place and help the ordinary working man to get a home. Quite frankly, I think the Government has created a monster. As I understand it the societies are being permitted to take 2½c for operating costs out of every dollar invested.

I do not believe that what is being done today will do anything for the building industry, which is in trouble. Does the Government believe that it will do anything for the building industry? It would be different if both interest rates were being reduced by ½ per cent so that the people who cannot afford to buy a home at 11½ per cent might be able to do so at 11¼ per cent. With a cheaper rate they would be able to borrow more money.

Mr. Moore: It won't make any difference.

Mr. BURNS: Yes it will. I say that ½ per cent will make a great difference. I know people whose decision on whether they can afford a home is marginal. Any reduction in interest rate would help them. I say the building industry will not be helped at all by this legislation; but those who virtually run the industry are being given a greater margin.

It worries me that this step should be taken without adequate public debate on the issue and without any prior indication that the matter was to be brought on. Straight after the luncheon recess the Port of Brisbane Authority Bill, which had been under discussion, was brushed aside and we were told that we were to deal with a very important matter.

Mr. Lee: We were afraid that you might take advantage of the monetary situation.

Mr. BURNS: Today at 2 o'clock? Now we know why it has been done. We might have taken advantage of the monetary situation! That is why the other legislation was pushed aside.

I wonder whether this Bill is the result of some of the problems that arose in the building societies during the run on them at the beginning of the year. One building society is presently \$1,200,000 in debt. I am loath to mention names; that merely creates problems for the societies named. I understand that this society got into debt because, at the time of the run on building societies, it went out into the world and borrowed money at 11 per cent to repay people who had lent at 9 per cent. Whilst people were queueing at the door, its officers were out borrowing at 11 per cent. I wonder whether we are trying to help them over the hump by lifting their margin and thus giving them an opportunity to pick up some of their losses? If that is so, why isn't the Government honest about it? If that is the situation, let us try to help them out.

As I see it, the same applies to the Australian Permanent Building Society. Every time we hear about someone who has not got his money back the Government wring their hands and say, "We have set up a contingency fund. The liquidator has not yet brought down a report but we will give the money to you some time before this Christmas or next Christmas."

I will tell the Committee what I think should be done in such cases. We were able to get the S.G.I.O. to save many building societies and the money of a lot of people. The S.G.I.O. walked in with \$40,000,000 or \$50,000,000, not Government funds but policyholders' funds—my money and the money of others who do their insurance business with the S.G.I.O.

The Government could say tomorrow that it would put money into the contingency fund and pay the people who are waiting for their money and, when the contingency fund built up, the amount paid out would be covered. It could say to any person who brought in a passbook that was up to date, "We will give you half the amount in your book. At least we will give you something." At present they are not being given anything. I know of people who paid their wages into that building society on the Friday night the society closed and it has not opened again. These people were left with no money to buy their groceries on Saturday morning.

If the Government wants to move in a hurry to help these people, we can do it; but somehow or other the poor fellows who had money in the Australian Permanent Building Society are forgotten. We seem now to be getting into one of those situations in which Sir Gordon Chalk always earned my commendation. He was prepared to stand up against those who wanted to use building societies more as banks. I think the idea of co-operative organisation that was behind the establishment of building societies is great. I am concerned, however, that the purpose of this Bill is merely to raise the margins of building societies.

I give the Minister credit for a couple of things that I appreciate in the Bill. The Minister said that in future a registered society will not be permitted to charge any interest on loans approved by it until some part of the moneys has been advanced to the borrower for a purpose for which the loan was approved. I think all will agree with that. If money was lent on 1 March and building was not started till the following January, it was quite wrong to charge interest in the intervening period. It is good to see that that will be stopped. In future when a society approves a loan it will have to spell out the rate of interest and the term of the loan, the total amount of interest payable by the borrower over the full term and whether or not the rate of interest or term, or both, can be varied. The date when interest commences to accrue and the amount of payments to be made must also be shown. Those are good provisions. I believe that we must stand up and be counted on this matter. The whole idea behind building societies was to help the ordinary fellow.

Rumours were circulating in the streets that the margin was to be increased (which is now seen to be true) and that rules applying to loans over \$50,000 were to be changed so that people could borrow money from building societies for other than housing purposes. I know the Act states "residential purposes" and I know that in the past people have been able to borrow money for nursing homes, high-rise flats, apartments and other ventures of their own. There are rumours that changes in the rules governing the lending of money over \$50,000 will allow building societies to get into some of the rackets that they were in before. I think the Bill should contain provision that money cannot be lent by building societies for other than residential housing for single-unit families. I do not think it should be possible to borrow from building societies for the erection of flats for investment purposes.

I am sorry that the Bill has been introduced in such a rush. We will have a close look at it and we will make our comments on the clauses during the Committee stage. Meanwhile I indicate that I welcome the changes that I have already commended.

Hon. N. E. LEE (Yeronga—Minister for Works and Housing) (3.20 p.m.), in reply: First of all, I would like to thank honourable members for their contributions. The honourable member for Archerfield made his usual mud-slinging contribution. As long as there is muck and mud to sling about, he seems to be in his glory. I think the purpose behind his whole attitude is to see that building societies in this State go out of existence. To the extent that there was a run on the societies, it seems that he was almost successful in what he set out to do. The honourable member can thank only himself for that.

Mr. K. J. Hooper interjected.

The TEMPORARY CHAIRMAN (Mr. Miller): Order!

Mr. LEE: The honourable member hates to hear the truth of it, but he was the one who caused the whole thing. He knows darned well that one of the societies was the Trade Union Building Society.

Mr. K. J. Hooper interjected.

The TEMPORARY CHAIRMAN: Order! The honourable member for Archerfield has had his opportunity to speak. I want to hear the Minister.

Mr. LEE: The honourable member knows that the Trade Union Building Society was one of the worst managed societies in the State. Until the Trades Hall told him to lay off, the honourable member was going to keep on stirring until the situation was so bad that all the building societies in Queensland would have been forced out of existence.

Mr. K. J. HOOPER: I rise to a point of order. I have never protected the Trade Union Building Society; nor has the Trade Union Building Society ever approached me.

The TEMPORARY CHAIRMAN: Order! What is the honourable member's point of order?

Mr. K. J. HOOPER: What the Minister is saying is totally incorrect and I ask him to withdraw.

The TEMPORARY CHAIRMAN: Order! I ask the Minister to withdraw the statement.

Mr. LEE: If I made the statement, I will withdraw it, but I am sure I did not say it.

The TEMPORARY CHAIRMAN: Order! I ask the Minister to withdraw it without qualification.

Mr. LEE: I will withdraw it, but let me say to the honourable member for Archerfield that he was the one who continued to publicise the situation to the point where he almost caused the collapse of building societies in Queensland. The honourable member can thank himself for what happened, and there can be no argument about that. As far as I am concerned, building societies play a very useful role in the building industry in Queensland.

Mr. K. J. Hooper: I agree.

Mr. LEE: They helped the very people the honourable member is supposed to represent, and that is a lot of working people, and yet he wanted to see them wrecked. He even said he would not invest one cent in a building society and yet he advised his own son to do so. He said it here—that he had advised his son to put his money in a building society. He could not even be straight with his own son. That is how bad he is!

Mr. K. J. HOOPER: I rise to a point of order. The Minister has mentioned one of my sons. I do not know what it is he is referring to, but whatever it is, it is incorrect.

The TEMPORARY CHAIRMAN: Order! Is the honourable member asking the Minister to withdraw?

Mr. K. J. HOOPER: Yes, I am.

The TEMPORARY CHAIRMAN: Order! I ask the Minister to withdraw the statement.

Mr. LEE: I distinctly heard him say it, and "Hansard" will reveal that he said he advised his own son to invest in a society. He said his son had money in a Bowkett society and at this stage he has not received it back. That is what the honourable member said.

Mr. K. J. HOOPER: I rise to a point of order. That is totally incorrect, and I say quite candidly and frankly that I never made that remark. The Minister's remark is offensive and completely untrue and I ask him to withdraw it.

The TEMPORARY CHAIRMAN: Order! I ask the Minister to withdraw that statement.

Mr. LEE: I will withdraw it, but I am sure it will later come up in "Hansard".

Mr. K. J. Hooper interjected.

Mr. LEE: Nevertheless, the honourable member and many people in Queensland can thank this Government for what eventually happened. The honourable member virtually forced people into the A.L.P. position because of his big-mouthed—

Mr. K. J. Hooper interjected.

The TEMPORARY CHAIRMAN: Order! I warn the honourable member for Archerfield under Standing Order 123A.

Mr. LEE: The honourable member caused the run on the societies and we all know how that ended up. It was only because of the actions of this Government that people were able to get all their money back. The honourable member can thank us for that.

Mr. Burns interjected.

Mr. LEE: The honourable member very seldom thinks about those things. The honourable member for Archerfield is always talking about white-collar crooks and about the Fraud Squad. He is damned lucky they do not pick him up. He ought to think himself lucky in that regard. However, as I say, in spite of the attitude of the honourable member for Archerfield, as far as I am concerned building societies are playing a very useful role in this State. I am sure they will go forward to bigger and better things when the amendments now proposed are made.

The honourable member for Maryborough made a sensible contribution on the activities of building societies. He obviously has a sound knowledge of the subject and understands the present situation, and he asked some pertinent questions. He asked, first, about the .25 per cent reserve. In every State in Australia there is a similar reserve, and in some cases it is as high as 1 per cent. It has been made .25 per cent of total liabilities here, in the hope that it will give building societies an opportunity to take up the slack and not force up interest rates to borrowers.

The honourable member for Maryborough also mentioned the S.G.I.O. Building Society. All I can say is, "Thank God we had it in the early stages." It has done a wonderful job in taking up mortgages that the industry as a whole was not prepared to take up and made it possible for shareholders to obtain a dollar for each dollar they invested. The people of Queensland will ever be thankful for that. The registrar and I agree that the S.G.I.O. Building Society must not be tied to the State Government Insurance Office in any way and must be completely competitive with other building societies.

The honourable member also asked why the Government is asking for a budget. I believe that any well-run organisation, particularly a financial institution, should have a budget. Building societies are working on a tight margin and under restrictions, and it is important that they work to a budget. The registrar should receive a monthly cash-flow statement and, where necessary, a budget. The proposed provision will prevent the recurrence of what has already happened in many instances.

The legislation will mean tighter control, and the submission of budgets will enable the registrar to report to me if he sees that a society is not keeping within its budget. I will then be able to inquire why. There may be a very good reason why a society has not done so in a particular month. The provision is being included to enable the speedy detection of any problem that arises.

I assure the honourable member for Maryborough that all budgets will be strictly confidential. They will go only to the registrar and will not be seen by anybody else.

Mr. Burns: The question was not whether a budget would be confidential; it was whether the registrar would act if the budget was not right.

Mr. LEE: I said that.

Mr. Houston: Who will he report to? Will he report to Parliament, or will he just tell you?

Mr. LEE: I will receive advice from the proper officers of the Corporate Affairs Commissioner's Office. It will then be possible to ascertain whether a society is operating in

line with its budget. If it is not, we can say, "You are not running in line with your budget. What is the trouble?" There may be a reasonable explanation. I say to the Committee, "For goodness sake don't let us get into the situation that we were in last year." Officers of the Government went to people willy-nilly and had no power to look into their financial affairs. As a result, many investors stood to lose their money. We do not want that to occur again, and I am sure Opposition members do not want it to recur, either.

Mr. Houston: What are you going to do if you find a flop? Are you going to report to Parliament? What legislation have you got to make them stand by their budget when they are in trouble?

Mr. LEE: Wait till you see the Bill.

Mr. Houston: Will you give us a few hours to study it?

Mr. LEE: We will see about that. It is all in the Bill. As I have said, the details of the budgets will be kept strictly confidential.

The Leader of the Opposition asked about the rate on any sum over \$50,000. The position is that any sum below \$50,000 attracts a rate of 11.75 per cent, whereas anything in excess of \$50,000 can attract a charge of up to 15 per cent.

Mr. Burns: That stays the same?

Mr. LEE: There is no upper limit on any interest rates. I am sure competition will bring them down to a sensible level. Opposition members complain that competition does not help and the Leader of the Opposition said that the societies charge borrowers 9, 9½ or 10 per cent. They have to be able, of course, to offer sensible rates to depositors as well. A society that borrows money at a low rate of interest can lend it at a low rate of interest. Competition will stop societies from offering high rates of interest to borrowers.

Mr. Burns: If they borrow at 9 per cent, is there any requirement on them to lend at a lower rate?

Mr. LEE: Ordinary competition will sort this out.

Mr. Burns: What competition? It's like buying a packet of cigarettes.

Mr. LEE: I would like to be able to answer the queries raised by the Leader of the Opposition, but if he is not interested I will sit down and forget about it.

The honourable gentleman asked about the Australian Permanent Building Society, which is in the hands of a liquidator. I am as concerned as anyone else about this, but as far as I can see, in four or six weeks' time—perhaps a little earlier—we will be able to give the people dollar for dollar.

Mr. Burns: A lot of people will be happy about that.

Mr. LEE: We are very conscious of their plight and we are giving them the lot.

Mr. Burns: Are you paying back their interest, too, or no interest?

Mr. LEE: We will give them dollar for dollar, as we told Opposition members during the debate on the previous amendment to the Act.

Mr. Burns: I will say "thank you" on behalf of a lot of Queenslanders who have been waiting for some money for some time.

Mr. LEE: I realise they are the only ones who have missed out. The other societies involved were placed in the hands of administrators, whereas this one was put into the hands of a liquidator. Everything has to be wound up and I think the Government should be given a lot of credit for having been able to have the liquidation completed within a very short period.

The Leader of the Opposition referred also to advertising. Surely he does not expect the Government to thunder in. We have power under the present legislation to do anything we wish in relation to advertising, but surely the Labor Party would not ask us to require the societies to break contracts with advertising firms, thereby making themselves liable to claims for breach of contract and payment of damages as well as costs. I assure the Opposition that any new advertisement and new contracts entered into will be vetted by the registrar.

Mr. Houston: Are you going to set the percentage of money to be used for that?

Mr. LEE: We do not intend to set that.

Mr. Houston: What yardstick do you intend to use?

Mr. LEE: We have devoted many hours of thought to the words that can be used so that any phrase that will deceive the people, such as "Government guaranteed", "Backed by the S.G.I.O.," or "Your money is locked away safely", will be cut out. We are trying to ensure that the ordinary people realise that their money is in a building society, not a bank. Everything will have to be truly represented in advertisements. The Opposition should give the Government credit for doing everything possible.

Mr. Jensen: Is there anything to stop people from investing \$50,000 in building societies at 9 per cent or 9½ per cent for one month or two months? Is there anything to prevent a person investing \$100,000 for such a short time that obviously the money is not designed for building homes?

Mr. LEE: It is certain that the honourable member has not read the last Act we passed concerning building societies. He certainly does not understand what has been

done. I told the Leader of the Opposition that the rates are 11½ per cent and 15 per cent—

Mr. Jensen: I am talking about an investor depositing \$50,000 for two months at 9½ per cent. Is there any limit on that?

Mr. LEE: As from the passage of this legislation it is a matter for the investor and the society to make their own arrangements.

I cannot make the position any clearer. I have done my best to answer questions. I have tried to be fair, but it is impossible to answer some of the questions asked by the honourable member for Archerfield. I did my best to answer the questions asked by the Leader of the Opposition.

Motion (Mr. Lee) agreed to.

Resolution reported.

FIRST READING

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

LEAVE TO MOVE SECOND READING

Hon. N. E. LEE (Yeronga—Minister for Works and Housing) (3.38 p.m.): I ask leave of the House to move the second reading of the Bill.

Question—That leave be granted—put; and the House divided—

AYES, 51

Akers	Lamont
Alison	Lane
Bertoni	Lee
Brown	Lester
Byrne	Lickiss
Campbell	Lindsay
Deeral	Lockwood
Doumany	Lowes
Edwards	McKechnie
Elliott	Miller
Frawley	Muller
Gibbs	Neal
Greenwood	Newbery
Gunn	Porter
Gygar	Simpson
Hales	Small
Hartwig	Sullivan
Herbert	Tenni
Hinze	Turner
Hodges	Warner
Hooper, K. W.	Wharton
Hooper, M. D.	Young
Katter	
Kaus	<i>Tellers:</i>
Kippin	Ahern
Kyburz	Moore
Lamond	

PAIRS:

Bjelke-Petersen

Melloy

NOES, 11

Burns	<i>Tellers:</i>
Casey	Jensen
Dean	Marginson
Hooper, K. J.	
Houston	
Jones	
Prest	

Resolved in the affirmative.

SECOND READING

Hon. N. E. LEE (Yeronga—Minister for Works and Housing) (3.50 p.m.): I move—
“That the Bill be now read a second time.”

I believe that in my introductory speech I gave a fair and reasonable outline of the amendments to be made to the Act.

Mr. Houston: We do not know whether we can believe you or not.

Mr. LEE: No. When Opposition members read the provisions, which they will have plenty of time to do, they will find that everything I said at the introductory stage was correct. This is a money Bill, which is the reason why it is being dealt with in this way.

Mr. K. J. HOOPER (Archerfield) (3.51 p.m.): As I said at the introductory stage, I cannot for the life of me understand why the Bill has to be passed through all its stages in one day. Surely it is not all that important. I also said that the Opposition is placed at a disadvantage because we have not been given time to peruse the Bill. It has been impossible to study it in the two or three minutes of the division.

Mr. Moore: No-one has had time to write your brief.

Mr. K. J. HOOPER: No wonder the honourable member for Windsor is in trouble. He has a reputation in Windsor and in the House as a wax-weevil. That is why his endorsement is under threat.

Mr. Moore: A what?

Mr. K. J. HOOPER: A wax-weevil. He never knows when to dry up.

Mr. DEPUTY SPEAKER (Mr. W. D. Hewitt): Order! The honourable member will return to the principles of the Bill.

Mr. K. J. HOOPER: Yes, Mr. Deputy Speaker. I am trying to be reasonable. It is, however, very difficult for Opposition members to speak at such short notice on the second reading of the Bill.

I should like to refer briefly to some of the Minister's remarks in replying at the introductory stage. It is quite obvious, as the Minister virtually admitted, that the loss to lenders will be ¼ per cent. Borrowers, too, will lose ¼ per cent.

Mr. Burns: They will end up the same.

Mr. K. J. HOOPER: That is so. It is quite obvious that the Bill has been introduced to prevent speculation in the building society industry. I see the Minister nodding in agreement. But this action should have been taken last year. If it had been done then, many of the problems that arose in building societies, particularly some of the shaky ones such as the Great Australian, United Savings and City Savings, would have been avoided. We all know of the rorts and ramifications in this industry.

Mr. Moore: Speak for yourself.

Mr. K. J. HOOPER: I certainly would not be speaking for the honourable member for Windsor. He has not enough brains to make his head ache. However, I do not want to be distracted by a political nonentity and the Liberal Party's expert on nothing.

The Minister has to assure the small investors in building societies that their money is secure. During the building society crisis I was invited to Brothers' League Club to address creditors of the Australian Permanent Building Society. I am sure that all honourable members, irrespective of the side of the House on which they sit, would have found it harrowing to hear the complaints that those creditors had against that building society. I only hope that a crook named Peter Muller is dealt with by the law. I heard the previous Treasurer agree that he is a crook. The quicker he is brought to justice, the better it will be for everyone. This will be extremely difficult, because I am told that it will be two years before the investigations are completed. During that time the shareholders will be left lamenting. The shareholders are unsecured creditors and when the matter is finally decided in court they will be fortunate to receive 10c in the dollar. It is most necessary to give investors confidence in the major building societies so that they can feel that their investments are secure.

I hope, too, that this legislation will help to prevent mergers such as some of those that took place in the building society industry some two years ago. I referred at the introductory stage to the difficulties in which the Queensland Permanent Building Society now finds itself. As we all know, this has been brought about by the dubious merger of the Queensland Permanent Building Society, Sun Coast Permanent Building Society and Gold Coast Permanent Building Society. That is where the real smell occurred and where it occurred, too, in the sale of the Rix Building.

Mr. Ahern: Sun Coast Building Society? I have never heard of that.

Mr. K. J. HOOPER: It was not on the Sun Coast. Strangely enough, it was down on the Gold Coast.

Mr. Ahern: Sun State.

Mr. K. J. HOOPER: I accept the honourable member's interjection. I should have said "Sun State". I do not want to cast any reflection on the Sun Coast.

Nevertheless, this did occur, and I think this is one reason for the difficulties in which the Queensland Permanent Building Society now finds itself. I only hope the Minister and the officers of the Corporate Affairs Commissioner's Office keep a close eye on the activities of the Queensland Permanent Building Society. I must say that during the crisis in the building society industry which occurred in March this year I had a visit in

my office—this can be substantiated by my secretary—from Mr. Lloyd Price, the managing director of the Queensland Permanent Building Society. He bounced into my office and said, "I object to what you are doing to the building societies." So it was not a case of Mohammed going to the mountain, but of the mountain coming to Mohammed. I pointed out to Mr. Price in no uncertain terms that I took strong objection to what his society was doing to its investors, and he soon backed off. When he left me he said, "No doubt when you speak on Tuesday you will adopt a much more balanced line and leave the Queensland Permanent alone." I think a perusal of "Hansard" will reveal that, to put it colloquially, I gave the Queensland Permanent Building Society a good biff, which it deserved. It is one of the societies that caused many of the problems that now exist in the building society industry.

The Minister also mentioned that the shareholders in the Australian Permanent Building Society would be repaid dollar for dollar, and I commend him for this. This is excellent, and will reassure a lot of people who are very concerned.

Mr. Lee: That is everybody out of the last crisis.

Mr. K. J. HOOPER: I thank the Minister. I commend the Minister because I think this is very good. It will make the shareholders very happy indeed to know that their money is secure. I also reiterate that I hope the Minister is able to bring this man Peter Muller to justice. He has a criminal record. He has two previous convictions, and he was the one who caused the trouble in the Australian Permanent Building Society.

The Minister also said that competition will keep the interest rates down. I disagree. Competition is another problem which exists in the industry. The Queensland Permanent Building Society resented the fact that the Metropolitan Permanent Building Society was the largest in the State, so it set out by hook or by crook to make itself the biggest. I think it overreached itself with consequent disastrous results for its investors.

The Minister also mentioned advertising. He said that at this stage, while some of the advertising could be misleading (which it is), the societies have contracts with various advertising agencies.

Mr. Lee: We can't make them break the contracts.

Mr. K. J. HOOPER: I know, unfortunately. Nevertheless, I think the Minister should do something about this. I do not have a copy of the Press statement—

Mr. Moore: Have you lost your brief?

Mr. K. J. HOOPER: I am going to ignore the honourable member for Windsor. He talks through his anal column.

What I was going to say is that whilst this false and misleading advertising continues it is having a detrimental effect on investors. In a Press statement which was issued possibly some two months ago—I have not had an opportunity of getting it out of the Parliamentary Library—the Minister said he was going to clamp down on this, but he did not say he was going to allow the present contracts to expire. If this is the case, I think the Minister, too, may have been a little misleading.

We all know what is wrong with the advertising. I have said on previous occasions in this House that the building societies have been portraying themselves as banks. They have been employing prominent sporting personalities and prominent members of the media to say, "This is my passbook. I deposit my money at such-and-such a place." This gives the impression to the ordinary man in the street that building societies are banks, whereas in fact they are not banks. To its credit, the Metropolitan Permanent Building Society in the main has been fairly ethical in its advertising. It has strayed from the path of truth and righteous virtue at times, but not to the same extent as the other societies. Nevertheless, something has to be done and done quickly about this advertising, even if the advertising people lose their contracts. I still feel that the Minister should say, "Right; this is it. There is to be no more false and misleading advertising by building societies in this State."

I also want to say something about some of the services offered by some of the permanent building societies, particularly the Queensland Permanent Building Society, which is advertising itself as a travel agency. Surely the aims and objectives of any building society are to provide homes for their shareholders, not to indulge in various other wildcat schemes such as travel agencies and so forth. The sooner that is realised, the better.

I ask the Minister and the officers of his department to have a very close look at the accounts of the Queensland Permanent Building Society. It has qualified its report.

Mr. Lee interjected.

Mr. K. J. HOOPER: I am saying this seriously. It is very bad when a company presents a balance sheet—

Mr. Gunn interjected.

Mr. K. J. HOOPER: I am trying to be serious. I pay this tribute to the honourable member for Somerset: as I said once before, he is one of the more moderate members of the National Party and one of the few who have not been tainted by the League of Rights. I ask him to sit back and listen while I try to explain something about building societies. He probably knows more about onions than he does about building societies.

As I said, I ask the Minister to take a very close look at the affairs of the Queensland Permanent Building Society and make sure that its accounts are accurate. He should ensure that that society does not qualify its report in future. As honourable members are aware, it is very embarrassing if a balance sheet is presented and the auditors put a qualification on it.

As I said at the introductory stage, the Minister more or less denied the truth of what I said when I drew his attention to this matter previously. I ask him now to face up to facts and do something about these societies.

Mr. BURNS (Lytton—Leader of the Opposition) (4.2 p.m.): I join the honourable member for Archerfield in objecting to the Bill being put through in this way. I cannot agree with the Minister that because it is a so-called money Bill—and I do not think it is—it should go through in one day. When I look at the Bill, I see that it comprises nine pages, each of about 45 lines, and the Opposition is supposed to read it in two minutes and debate it with the Minister.

There have been a number of amendments to the Building Societies Act. Honourable members will recall that one was brought down during the last session of Parliament. Now, here we are, shortly after resuming sitting, being asked to amend it again.

Mr. Lee: You must admit that every amendment has been for the better and has helped the industry.

Mr. BURNS: I should imagine they would be designed to help the industry. I do not think anyone would introduce amendments that were not designed to do that. However, I still cannot accept the Minister's explanation of the Bill and the need for urgency.

It has been said that Queensland is following New South Wales. New South Wales and Queensland were the only two States that fixed interest rates. As New South Wales building societies are charging 9 per cent, societies in Queensland are to be allowed to reduce the rate to 9 per cent. People are not going to rush to building societies and lend money to them at 9 per cent when they can lend it to them today at 9½ per cent. If the Bill is left for a week, there will not be any run on building societies because they are to be allowed to pay 9 per cent interest on their loans. I cannot see any reason for urgency.

It may be a different matter if interest rates were increased to 10 per cent tomorrow, or in a month's time, and people were refraining from putting their money in until such time as the interest rate increased. In this instance, people will not rush in and withdraw their money because it is prescribed that societies must borrow at 9 per cent. The Bill simply says that they may.

As I read the Bill, I cannot see any value in it for the ordinary citizen in the street, and I wonder why there is a need for such urgency. The man or woman who lends money to a building society is to be told that in future he or she will receive half a per cent less in interest. I will admit that it is up to the building society to do that. However, at the other end, the man or woman borrowing money from the society will still be charged 11½ per cent. Therefore, I ask: which person in the community benefits from the legislation that we are rushing through today? How many Queenslanders are waiting with bated breath for this Bill to be rushed through the Chamber this afternoon? How many people are going to gain something as a result of what we are doing on their behalf today? I cannot see one extra home being built.

Mr. Ahern: Many people will be hurt if the societies do not get an adequate margin on which to work.

Mr. BURNS: That is the point. I am pleased that the honourable member for Landsborough made that interjection, because I made a similar interjection when the honourable member for Maryborough was speaking, and I also asked the Minister if that was so. Honourable members have not been told that the reason for the introduction of the Bill is to give building societies a greater margin.

Mr. Ahern interjected.

Mr. BURNS: That is not mentioned in the Minister's Press release and he did not say it in his introductory speech. The Minister did not say, "I am introducing a Bill in this Parliament to give the building societies a margin of 2½ per cent instead of 2¼ per cent." According to the notes that I made at the time, he said first that it was to give societies a degree of flexibility that would enable them to operate responsibly. Those were his words. He then said that the rigid control in respect of loans under the 1968 amendment and shareholders' deposited funds in 1972 had created some problems for the societies. Those were his words, as I made a note of them. The year 1968 is eight years ago, and 1972 is four years ago, yet today, for some reason or other, this Bill is being rushed through in a couple of hours.

The honourable member for Landsborough told us that the Bill will give the building societies a higher operating margin. That is what I had heard and that is the story that was touted around this city over the last couple of weeks. We were told that as soon as Sir Gordon Chalk resigned from Parliament the building societies would be given a greater margin—and that is what is happening. The Minister did not say that in his speech, but the member for Landsborough let the cat out of the bag. This Bill is being rushed through not to help the person who is lending money, not to help the

person who is borrowing money, but to help those persons who control the building societies.

I would agree that if the societies need a greater margin to be able to operate, they should be given it. But surely the Minister should explain why building societies require higher margins. Shouldn't Parliament be given some figures in relation to advertising and the high rentals paid by the building societies for some of the flashy buildings that they occupy? Is it true, as was suggested at the meeting of the Co-operative Development Society, that money is being lent by building societies to themselves for the purchase of speed boats? Is it true that as much as \$200,000 is being lent to directors? We have seen the interchange of directors among societies, so I wonder why there is no tightening up of rules applying to directors. Parliament should have before it today amendments that provide such a tightening up.

As Parliament has been told that the building societies need to have a higher margin on which to operate and in order to meet their administrative costs, I would like to be given some figures in relation to advertising and rentals before I am asked to agree to an increase in margins. As I say, if the societies need higher margins, by all means let them have higher margins. However, there is nothing in all of the material presented to Parliament today to show that they should be given higher margins.

If the societies have given the Minister in meetings with him some of the facts about which I asked questions of the Treasurer, who dodged those questions, and of the Minister, who asked that the question be put on the Business Paper, why has not the Minister brought those facts before the Parliament? Aren't we entitled to know? We are elected to represent the people of Queensland and it is our right to ask these questions, especially when the reason for the Bill is not revealed in the Minister's introductory speech. As I say, the honourable member for Landsborough has told us that the Bill will give the societies a higher margin on which to operate.

The ordinary man and woman in the street will gain nothing whatever from the Bill. Interest rates to borrowers will remain at 11.75 per cent and they will pay today as much as they paid yesterday. At the other end, however, the depositor who is saving up to buy or build a home will get less.

I know that I am not allowed to refer to clauses at this stage, but I notice that the Bill provides that it is lawful for a registered society to charge and recover from a prospective borrower a fee fixed by the society to cover the actual cost of processing an application by the prospective borrower for an advance by the society of certain moneys and that such fee shall not exceed three-quarters of 1 per cent. In other words, the margin will rise from 2.25 to 2.75 per cent

of the building societies' funds, which amount to millions of dollars. And at the same time the societies will have the right to charge a person who borrows, say, \$30,000 three-quarters of 1 per cent merely for processing the application. In other words, the borrower will have to pay a couple of hundred dollars to have his application processed.

On top of that, a person who is lucky enough to win the casket or the soccer pools and decides to pay off his loan is then required to pay an extra fee for paying it off. The Bill provides that an additional fee charged in the event of the early discharge of the loan shall not exceed 0.5 per cent. How much do the societies need on which to operate?

Mr. Lee: That was all in the previous Bill.

Mr. BURNS: I am debating this Bill.

Mr. Lee: It was in the last one.

Mr. BURNS: Surely I am entitled to debate this one. I hope the Minister is not trying to tell us which legislation we shall debate. Having given us virtually no time to read the Bill, surely he will not demand that we debate only the amendments that he would like us to talk about.

The Government is giving the societies an extra 0.5 per cent for management costs. It is also saying that borrowers must pay for the processing of forms filled out to obtain a loan, and finally that they must pay a certain percentage if they pay out a loan. Surely we are entitled to explanations justifying these charges being imposed on the ordinary people in the community. The 2.75 per cent is not just a charge picked out of the air; it is a percentage paid by the ordinary men and women buying houses. Every time the Government increases rates by 0.5 per cent, it says that it is giving something to the societies. The Government itself is not giving anything at all. What it is doing is giving away my money, if I am borrowing, and that of hundreds of thousands of borrowers. We are entitled to a better explanation than we have been given. It is not a fair go for the people who are investing in these societies.

Mr. CASEY (Mackay) (4.11 p.m.): Experience has taught me to be very wary of legislation introduced very hurriedly into Parliament by this Government, especially when it is to be rushed through in one day. I am always concerned when we do not receive proper explanations from Ministers about the need for the hurried passage of legislation.

The Governor's Opening Speech did not indicate or hint that the Building Societies Act, which was amended in many ways earlier this year, would be before us again so quickly. We must naturally be wary about what is happening. As has been pointed out, earlier this session legislation

was introduced very hurriedly to fix up a mistake made by a Minister that created problems for the honourable member for Cook.

At the introductory stage the Minister referred to the run on building societies earlier this year. His comments were unfortunate. When the legislation was debated earlier this year, it was obvious that no member wanted the run to occur. It had then and it is still having a disastrous effect on the building trade in Queensland. As a result of that run societies are certainly finding it hard to raise finance to meet borrowing demand. The events at that time led to a lack of confidence among Queensland investors in building societies. What we are doing today will give a further indication to the people that building societies have problems. Surely the Minister's introduction of this legislation, of which no notice was given at a joint meeting of the Government parties as late as yesterday afternoon, is an indication of some problems. It is not until question time this morning that Government members learned that a hurried meeting of the Government parties would be called at lunch-time today to discuss this matter.

Mr. Jones: The Minister's action may cause another run.

Mr. CASEY: I thank the honourable member for his comment. That is my very point. What has happened could very well upset the confidence of Queensland investors in building societies. That is a matter of very serious concern. If as a result of this hurried, suspect action of the Government today there is a further run on the building societies, the blame for it will rest squarely at the feet of none other than the Minister responsible for it.

I believe that the Minister has been very sincere in his efforts over the last few months to rectify some of the problems facing building societies. I have had contact with him and his office about the matter. None the less, the very way in which he has gone about this today tends to engender a feeling that he is irresponsible.

So what should we do? When there is such haste, we should look very carefully at the legislation to find out just why. The only principle that I can find in the Bill that could indicate the need for hurried action—the need to rectify a situation that has existed up till now—is in the clause of this Bill that refers to the section of the Act passed by this Parliament earlier this year that relates to the precepts charged by the committee formed under the Act to facilitate payments to investors in those permanent building societies that ran into problems.

I think we all appreciated at that time that the additional $\frac{1}{2}$ per cent margin was necessary for the establishment of the contingency fund and that it would take some considerable time for sufficient funds to be

accumulated to make the dollar-for-dollar return to all investors in those societies that were not able to meet their payments.

If I remember rightly, when the amending Bill was before Parliament earlier this year, the then Treasurer (Sir Gordon Chalk) indicated that it could take up to 12 months before all investors would have their money refunded.

Mr. Lee: We are beating that, aren't we?

Mr. CASEY: I am not decrying the principle of the contingency fund. What I am doing, though, is querying and probing, because the Minister has not told us the reason behind the legislation.

When that Bill was before us earlier this year, we were told that it would take 12 months before the contingency fund would be able to meet the dollar-for-dollar repayment. However, the Minister has told us this afternoon that those payments might be made within four to six weeks. But when we examine more thoroughly the previous legislation and this Bill before us today, we discover that the committee that was formed by the Minister to administer the contingency fund in fact has the authority to cover additional funds—a "precepted loan", I think it is called—by obtaining loans from building societies of Queensland registered under the Building Societies Act.

It is a well-known fact that some societies in Queensland were not in fact charging the maximum allowable lending rate. That was clearly brought out.

Mr. Lee: They can still do that.

Mr. CASEY: Yes, but perhaps the Minister might inform us what interest rate the committee is charging on these precepted loans to the various building societies in Queensland, because I think that perhaps that might hold the key to the legislation that is before us today. Is that the principle behind the haste in this legislation? If one looks quickly through the Bill, one finds that most of it is as indicated to us by the Minister. It is a further attempt to straighten up sections of the Act as a result of questions posed when the legislation was introduced earlier this year. We were told at the time that as things went along it may become necessary, but why the haste?

The Bill, in dealing with the precepted loans from building societies and the variations of interest on those precepted loans reads—

"The power conferred on the Committee by the preceding paragraph may be exercised and that paragraph shall apply in respect of every precepted loan whether made before or after the passing of the Building Societies Act Amendment Act 1976 (No. 2)."

Normally, those very words would contain the key to the need for hurried legislation. Introduced in the Bill is a principle to ensure

that the action taken by the Parliament today ratifies what has happened since the previous legislation.

Something that could be of grave interest to many building societies in Queensland is whether this particular lending is being further determined by the committee that looks after the contingency fund. Many building societies in Queensland are not happy with some aspects of the contingency fund, or with the way it has been and will be administered by the committee. Certainly this could be the case if there is a new variation of interest rates as indicated by the Minister.

There is another matter that I should like the Minister to deal with. He has not as yet touched on it. It could be pure speculation. Something else that helped to cause the run on building societies in Queensland was the Federal Government's issues of bonds with a high interest rate. Is something similar being contemplated by the Federal Government? One does not know from day to day what is happening in Canberra and perhaps the Minister might be anticipating that something similar will happen again.

I believe that he has a ministerial responsibility to give the House the truth. Like all other honourable members, he has taken an oath and, in addition, as a member of the Executive Council of the State of Queensland, he has taken a ministerial oath under which he is obliged to inform the Parliament on certain aspects of certain matters and to tell the people of Queensland the way in which he administers his responsibilities. So surely the Parliament is entitled to know what is happening in this respect.

Another point that concerns me is that the Bill does not straighten up the many and varied building society anomalies. Since this Act was amended earlier this year, no doubt all of us have had a considerable number of inquiries from constituents about their individual problems as either investors in or borrowers from building societies. I agree with the honourable member for Archerfield that the bogus societies mentioned by him are the worst. They still provide us with the greater proportion of this industry's problems.

As we are now looking at legislation to further amend that passed hurriedly earlier this year, the Minister has a responsibility to give us a little more information on some of the proposals contained in the Bill. His introductory speech was simply a rehash of what was said on the previous occasion and it is a little difficult to ascertain the changes in the position of building societies since March-April this year when the earlier legislation was passed. They are some of the things that concern me very much. That is why I say that the legislation should not be rushed through the Parliament today. Every point that members can make should be put before the Minister and answered.

I noted one new principle in the Bill. Borrowers will now have to be informed of their exact commitments on obtaining loans. I think the Minister drew an analogy with hire-purchase agreements. I point out that there are differences between hire-purchase agreements and building society loans. A hire-purchase contract is a binding contract on which the interest rate can never be varied. That is not so with building society loans. In the 1973-74 period and extending to 1975, almost every two to three months the commitments of borrowers to building societies changed. In some cases they were advised to sell their houses and refinance themselves into smaller houses because they could not afford to meet the higher interest and redemption charges required. It is therefore anomalous to find one principle dealing with this aspect of borrowing whilst another allows the continuation of variations in interest rates. I realise that this is a case of long-term borrowing against short-term borrowing, and there is a big difference in the commitment entered into over a long period.

The point I am trying to make is that if attempts are being made to incorporate this requirement at the outset of a contract, the same principle should apply every time interest rates are varied. Any alterations to commitments entered into should be clearly notified. In the short time in which I have been able to study the Bill, I cannot find such a provision in it. I think it should be included so that people understand that there could be variations in their commitments.

Again I regret the haste with which this legislation is being pushed through. It affects very many people and a very large industry in Queensland. The Minister is rushing it through this afternoon and I feel that under his oath of office he has a responsibility to tell us why.

Mr. HALES (Ipswich West) (4.28 p.m.): I want to make only a few brief comments on the Bill. It is quite obvious that the members of the Opposition who have spoken do not always know what they are talking about.

Mr. Lindsay: That has been fairly obvious.

Mr. HALES: Yes. Anybody who knows anything at all about the building society industry knows that application fees were applicable and payable over many years. It is quite obvious that the Leader of the Opposition did not know that, and that indicates his ignorance of the building society industry in Queensland. He knows exactly nothing about it. I believe that at this time the funds of most building societies in Queensland are very liquid. I know this from my association with building societies.

Mr. K. J. Hooper: You're a crook yourself. You're a shonky real estate agent.

Mr. DEPUTY SPEAKER (Mr. W. D. Hewitt): Order! The honourable member for Archerfield will withdraw that statement.

Mr. K. J. Hooper: I withdraw it.

Mr. HALES: It is quite obvious that the points I have made already have struck home to the Opposition. They do not like the truth.

Mr. Houston: All you have said is that the Minister is a good bloke.

Mr. HALES: It is also quite obvious that the honourable member for Bulimba is deaf. The Metropolitan Permanent Building Society, the biggest in the State, was able to lend \$11,000,000 in either July or August, which proves that it has a great deal of liquidity. Most other societies are lending, and lending very well. They are all very liquid.

It appears to me that what the Government is doing is lowering the interest rate so that depositors in the building society will receive a return of 9 per cent. In my opinion the market will regulate itself and I believe that most responsible building societies will then lower their lending rate. I believe they will come back to 11½ per cent because if they do not they will find other building societies will be doing just that to their disadvantage. One thing which causes problems for building societies is getting money in and not being able to lend it out again. This causes problems because they cannot service the original loan. They have to pay 9 per cent or 9½ per cent, and if they are not lending the money out, then they are in trouble. This is obviously what the Opposition fails to realise. For many years I have found that most—I emphasise "most"—building societies in this State have been reliable and honest. Certainly there has been the odd rotten apple in the barrel, but the industry as a whole has been responsible.

Mr. K. J. Hooper: You've got a good reputation in Ipswich as a real estate dealer, by the Jesus!

Mr. HALES: It appears to me also that we on this side of the House come in for a great deal of criticism from the honourable member for Archerfield, and he might do well to look at his own position for a change. He does not have a mirror on the opposite wall and so he cannot see the face of the Leader of the Opposition when he makes his outrageous statements in this House. I have seen the concern, the disgust and the disquiet on the face of the Leader of the Opposition when he hears the outrageous statements of the honourable member for Archerfield and I would advise him to think of his own position for once in his life.

Mr. K. J. Hooper: My position is all right.

Mr. HALES: The honourable member had better watch out for the dagger in his back.

Mr. K. J. Hooper interjected.

Mr. DEPUTY SPEAKER (Mr. W. D. Hewitt): Order! I understand the honourable member for Archerfield has been warned under the provisions of Standing Order 123A. He will not be warned again; the provision will be invoked.

Mr. Houston: Why don't you stick to the Bill instead of bringing personalities into it.

Mr. HALES: I was making a few comments about the honourable member for Archerfield. I believe he would be the greatest rubbisher in this Chamber.

It has been said this afternoon that no good will come of this for the home builder, the home buyer or the building industry. I believe exactly the opposite—that it will help the home buyer and the home-building industry—and I commend the Minister for at least reducing the interest rate to 9 per cent.

Hon. N. E. LEE (Yeronga—Minister for Works and Housing) (4.34 p.m.), in reply: First of all, I would like to thank honourable members for their contributions.

I believe that for once in his life the honourable member for Archerfield tried to make a few sane and sensible comments. I know it was difficult for him to do so. Trying to do it almost gave him indigestion or perhaps ulcers, but nevertheless he did endeavour to do so. He said the small investor will be secure. I can assure him that the intention of this Bill is to make the small investor secure. We are building a reserve account and a reserve fund into the Act to make small investors more secure than they are today. In addition a contingency fund will be established. If that is not responsibility—

Mr. Houston interjected.

Mr. LEE: If the honourable member will just keep quiet for a moment I will answer the honourable member for Archerfield. If that is not good, responsible government, I will eat my hat, and I assure the House that I will not have to eat it.

The Government has amended the Act three times. It has no hesitation in doing so whenever it sees that there is a need to protect the industry or the investors. The Bill is being introduced today to make the industry safer for both the investor and the borrower. An attempt is being made to tidy the matter up and ensure that people regain completely the faith that they had in the industry in the past.

I am sure the honourable member for Ipswich West has made it quite clear that competition will keep interest rates down. In fact, where there is open competition in other States, the interest rate to a borrower is often less than 11½ per cent. That proves, I think, that what is being done in the Bill today will do much to lower interest rates. A reduction of ½ per cent is already provided

for in parts of the Bill and the industry will be able to say, "At least the Government has brought the interest rate down." It will then be up to the societies to follow suit. In my opinion, competition alone will bring about a reduction. In addition, the legislation will build in reserve funds and continue the contingency fund.

The question of advertising is being considered, and I assure the honourable member for Archerfield that it will be brought into line as soon as it is humanly possible and in a way that will be fair and reasonable for the industry. As a Minister, I have a responsibility to Parliament, and I have already told honourable members that I will protect investors and borrowers by preventing misleading advertising. I assure them that action is being taken as fast as possible. My officers are working on the matter and deciding what may or may not be said in advertisements, and legislation on advertising will be introduced soon.

The Leader of the Opposition asked of what value the Bill would be to the industry. I assure him that it will assist the building industry greatly; it will assist the investor, and it will certainly assist the borrower. I believe that it will in fact reduce interest rates.

The honourable gentleman also said that the building societies are being given a higher margin. That is not necessarily so, and he knows it. He is deliberately trying to mislead the public. Some societies may increase the interest rate; others may reduce it.

Mr. Houston interjected.

Mr. LEE: Would the honourable member go to the one with the high interest rate if he wanted a loan? That is just plain common sense. If he is too stupid to go to the society that has the lowest interest rate, he deserves to pay. With his intelligence, I would expect him to pay the higher rate.

Mr. Houston: What about the fellow who has his house built and is beginning to pay it off?

Mr. LEE: The honourable member evidently did not listen to my opening remarks.

Mr. Houston: Yes, I did.

Mr. LEE: I said they will be tied together. If the societies reduce rates for new business, the rates for those who are locked in must also be reduced. They must all be dealt with together, as I have already said.

Mr. Houston: But what about the man who has already got a house? He is stuck with it; he can't shop round then.

Mr. LEE: The Leader of the Opposition spoke about an application fee. That was reduced in the last amending Bill, and the situation is no different on this occasion. The discharge fee is also being reduced. In

every instance an attempt is being made to assist the borrower, and there is no doubt that the Government has done a great deal for the industry.

The honourable member for Mackay said that by introducing this Bill we will create a run on building societies. Such comments as that certainly start runs on building societies. In his city of Mackay there is a very good and reliable building society, and he is doing his best to start a run on it. When it hears what he has had to say it will know whom to blame if it suffers from any loss of liquidity. He and the member for Archerfield cause runs on building societies.

Whereas the Government has acted decently and given dollar for dollar, the member for Mackay, when he was in business and when things went wrong, did not give dollar for dollar. No fear! He left the creditors hanging on the hook. He should be the last one to accuse the Government of being a bit slow. Let him get his own sheet clean first.

Apart from the contingency fund, we are creating for added protection a reserve account of 0.25 per cent. We could have set a level at 0.5 per cent, as it is in most other States, but if we had done that we would have forced up the interest rates. We have left it at 0.25 per cent, with a discretion to lengthen or shorten the period according to the liquidity of the day. If that is not good and responsible legislation, I don't know what is.

The honourable member for Mackay also asked about rates of interest on precepted loans. They are 9.5 per cent. Without the amendments in this Bill we would not be able to shift from 9½ per cent. We have every reason to believe that in the near future we will be able to lower the rate.

Mr. Houston: What is Canberra going to do?

Mr. LEE: How would I know? The member for Mackay asked the same question. I do know, however, that whatever the Federal Government in Canberra does, it will do a damn good job. My personal guess is that the bond rate certainly will not be going up. The Federal Government is reducing the rate of inflation and I am sure that the bond rate will go down. All that the former Federal Labor Government did was pump up the rate of inflation. Opposition members alleged that I was deliberately keeping something from them. That is an unkind and untrue allegation to make. I am not keeping from this Parliament anything that has come from Canberra. As I say, my own personal thought is that the bond rate will not be going up. The management in Canberra know what they are doing and they will certainly bring interest rates down.

The honourable member for Ipswich West knows the building society industry backwards. His contribution to the debate was

a most sensible one and one in which he replied quite effectively to every point raised by the Opposition members. He showed how stupid they were in making such—

Mr. Moore: Puerile statements.

Mr. LEE: I thank the member for Windsor. I greatly appreciate the remarks of the member for Ipswich West. He saved me a lot of time in having to answer the puerile statements that were made by Opposition members.

Motion (Mr. Lee) agreed to.

COMMITTEE

(Mr. Miller, Ithaca, in the chair)

Clauses 1 and 2, as read, agreed to.

Clause 3—New s. 22N; Reserve fund—

Mr. K. J. HOOPER (Archerfield) (4.46 p.m.): It appears to me that the clause on the setting up of the reserve fund is phrased to benefit the people running the building societies, not the borrowers. I ask the Minister why the Bill provides that this shall be done from 1 July 1981. Why could it not be done immediately?

Hon. N. E. LEE (Yeronga—Minister for Works and Housing) (4.47 p.m.): As I have been saying all along it is because we are trying to do everything we can to avoid forcing up interest rates. It seems that the honourable member for Archerfield wants to force up the interest rates to grab money from the people—to hurt the workers, the very people he is supposed to represent. We are giving notice that the 0.25 per cent will be coming out of profits to be placed into a reserve fund.

Clause 3, as read, agreed to.

Clause 4—Repeal of and new s. 23A; Restrictions concerning interest on loans—

Mr. K. J. HOOPER (Archerfield) (4.48 p.m.): Subclause (4) of clause 4 reads—

“It is lawful for a Registered Society to charge and recover from a prospective borrower a fee fixed by the Society to cover the actual cost of processing an application by the prospective borrower for an advance by the Society of certain moneys, such fee not to exceed three-quarters of one per centum of the amount of the advance applied for and in addition to charge and recover from the borrower costs, fees and charges—”

I do not know why that provision is in the Bill. I can see no reason for it. Under the former legislation the Queensland Permanent Building Society was one of the worst offenders in this field. If a borrower paid out his loan prematurely—perhaps he might pay it out within three or four months—he was charged an extra 3 per cent. The Queensland Permanent Building Society would obviously have preferred every borrower to pay out his loan three to six

months after taking it out. For the life of me I cannot see why this provision is in the Bill.

Subclause (4) (a) of clause 4 reads—

“paid or payable by the Society in respect of the preparation by a solicitor or conveyancer of documents properly evidencing or securing the contract for the advance;”

I cannot see the need for that provision. If it is necessary, why should not the borrower be allowed to choose his solicitor? I have received many complaints from people who say that, when they apply for a loan, while they are not exactly told that they have to use the solicitor chosen by the building society, it is more or less implied that if they do not do so they will not get the loan. I believe that borrowers should be allowed to choose their solicitors.

Hon. N. E. LEE (Yeronga—Minister for Works and Housing) (4.49 p.m.): Subclause (4) was included as a safeguard because some building societies were charging more than 0.5 per cent.

Mr. K. J. Hooper: What about the solicitor?

Mr. LEE: Surely the society has some right to say who shall be the solicitor.

Mr. Houston: Why?

Mr. LEE: I believe in free enterprise.

Clause 4, as read, agreed to.

Clauses 5 to 9, both inclusive, as read, agreed to.

Clause 10—Amendment of s. 34AB; Members of Society entitled to balance sheet, etc.—

Mr. K. J. HOOPER (Archerfield) (4.50 p.m.): I agree with the principle embodied in this clause. It is a pity that it was not introduced before. This is where the Great Australian Permanent Building Society was perpetrating a rort on its members. We all know that that society appointed its own firm of auditors, which at that time was J. J. O'Shea & Company. The principal of that company, Mr. Justin O'Shea, had suffered a serious illness and was not able to perform his duties as auditor. Desmond Paul O'Shea, who at that time had been disbarred by the society of accountants for breach of professional conduct, was a director of the Great Australian Permanent Building Society. In fact, had action not been taken, Desmond Paul O'Shea would have been the auditor of his own society. That is a lovely situation, isn't it? If the honourable member for Brisbane—and I know that he would not do this—were defrauding his trust fund and if at the end of the year he were appointed auditor, he might well throw his hands up in the air with glee and say, “Beauty!” at what has been taking place. I hope, however, that some teeth will be put into this

clause and that the Commissioner for Corporate Affairs will really enforce the provision to ensure that all societies adhere to it.

Hon. N. E. LEE (Yeronga—Minister for Works and Housing) (4.51 p.m.): It was necessary to have this amending clause because of clause 9. We are only doing it to try to save money.

Mr. K. J. Hooper: You agree with what I said, though?

Mr. LEE: No, I don't agree with what the honourable member says at any time, because I am not sure of the wisdom of it.

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

Mr. LEE: Yes, I realise that; but the honourable member is a hell of a hindrance, really.

Clause 10, as read, agreed to.

Clause 11, as read, agreed to.

Clause 12—Amendment of s. 36D; Contributions and loans—

Mr. CASEY (Mackay) (4.52 p.m.): Reference is made in this clause to the contingency fund committee. As previously applied, provisions in this tie the committee down legislatively. There are a number of other guide-lines within which that committee is working.

The Minister referred at some length to building societies in Mackay and other places, and he made accusations about me. I would like him to know that on building society matters I have always operated in close consultation with all building societies in Mackay. There are three locally based building societies in Mackay, none of which experienced a run on funds earlier this year. The reason is that the directors of those societies are persons who had the confidence of the people in the community. The only building societies in Mackay that experienced problems were the southern-based societies. The building societies in Mackay have been made fully aware of anything I have ever said in this Parliament about building societies—and by me. It has not been by the Minister or anybody else; it has been by me; they get the information straight from me. That is putting the facts right on the line.

When the Minister referred to the contingency fund committee and the dollar-for-dollar repayment in his reply at the second-reading stage, he made certain remarks and innuendoes about me personally. With your approval, Mr. Miller—and I know that you are a fair man—I would like to say that I have no intention whatsoever of speaking in this Chamber in any way about the personal affairs of my family, except to say this: whatever information the Minister has been fed on this, he is so far wrong that it is just not funny. He may be aware of some documentation, but he certainly does

not have the full documentation of my personal affairs. His comments are far from the truth. They are completely incorrect and, were he to make them outside this Parliament, he would find himself in serious legal difficulties.

We have certain provisions concerning the contingency fund committee. What are the other guide-lines for its operation? The Minister has told us now that it is paying 9½ per cent to the building societies on the precepted loans from the societies to the contingency fund. He has indicated on this aspect of the legislation that there may be a lowering of this interest rate if the situation becomes necessary. The wording of the clause clearly indicates that this could happen. It is not in the Bill and, for the first time this Parliament has been told the interest rate on precepted loans.

What other guide-lines does the committee operate under—regulations under the Building Societies Act? If that is the case, I have not seen any Orders in Council published in the Queensland Government Gazette. Who sets the guide-lines for the committee? Does it set its own guide-lines? Are they set by Cabinet? I should like the Minister to give a little more information on exactly how the contingency fund committee is operating.

Hon. N. E. LEE (Yeronga—Minister for Works and Housing) (4.57 p.m.): This clause allows for the contingency fund committee to vary the interest rate it pays on loans made by the societies to the fund. Currently the rate once fixed cannot be varied. That is the whole point of this clause—to allow for the interest rate to be lowered if necessary.

Mr. CASEY (Mackay) (4.58 p.m.): The earlier legislation did not set and establish the rate. Can the Minister tell us, if this rate does apply, the other guide-lines that the committee operates under and who sets out how it shall be determined? Is it done by the membership of the committee? Do the members determine this themselves?

Mr. Houston: He doesn't know.

Mr. CASEY: It is all right, Mr. Miller. I will keep talking while he finds out.

Mr. Moore: What's wrong with that? Do you know it all?

Mr. CASEY: I am asking the Minister. The Minister when he comes into this Chamber should know these things and be able to tell us what is happening in his department and how the committee is operating. I think that the Committee is entitled to know and I am asking the Minister to tell us while we have this opportunity. This Act might not be amended for another 10 years. I sincerely hope that it is not and so, I am sure, does the Minister. But let him tell us who sets the guide-lines—the committee? If it does, will it report to Parliament or to the Minister? Will it publish an annual report? Will it let the members of Parliament know?

The contingency fund committee plays a very important role in the operations of building societies. Will its operations be reported back to this Parliament, which is the body that set it up constitutionally or is the Minister going to keep us informed completely on how it operates?

Obviously the Minister does not intend to reply, and I think I still have some time left. Perhaps all I need say is that it is obvious that the Minister cannot answer these questions. It is completely wrong for a Minister to come into this Chamber with hurried legislation and not be able to answer vital questions put to him by honourable members.

Hon. N. E. LEE (Yeronga—Minister for Works and Housing) (5 p.m.): Had the honourable member for Mackay read the previous legislation he would not have asked his stupid questions.

Clause 12, as read, agreed to.

Clauses 13 to 16, both inclusive, as read, agreed to.

Bill reported, without amendment.

THIRD READING

Bill, on motion of Mr. Lee, by leave, read a third time.

PORT OF BRISBANE AUTHORITY BILL

INITIATION IN COMMITTEE—RESUMPTION OF DEBATE

(Mr. Gunn, Somerset, in the chair)

Mr. HOUSTON (Bulimba) (5.2 p.m.): In the first place, I should like to thank the previous Minister for Tourism and Marine Services (Hon. T. G. Newbery) for arranging the trip down the river for members some weeks ago to enable them to see the site of the new port and also to ask departmental officers questions on matters of interest in its development.

Mr. Ahern: There should be more of it.

Mr. HOUSTON: I quite agree. It has always annoyed me that there are far too many Government committees and not enough all-party committees to look into various matters. I certainly appreciate the Minister's action on this occasion.

I must say that I do not think it was very fair to thrust a new Minister into the position in which the present Minister for Tourism and Marine Services now finds himself. A Bill was presented earlier in the year, certainly with the intention of allowing it to remain on the table and reintroducing it later. This is where I think the Premier acted incorrectly. Even though he wanted to move the present Minister for Tourism and Marine Services from the Police portfolio, it was a very bad decision to have him replace a Minister who was associated since its inception with a Bill dealing with a major

development. However, that is apparently the way the Premier and the Government saw the situation.

It seems unfortunate that the development of the new port is apparently taking place as a project in isolation from the rest of the State and the rest of those things that are important to its development. As I proceed I shall refer to road construction and other work that I believe should be undertaken, not apart from but in conjunction with the port development.

Having heard the Minister's introductory remarks and the speeches made so far in the debate, I feel that there has been a breakdown in communication between the various authorities responsible not just for the port development, but for the required auxiliary development associated with the port. The main purpose of this Bill is to set up an authority for the port of Brisbane and empower that authority to construct the wharf complex and then to operate it.

I think there are two distinct requirements of the people involved in those projects. In the developing and constructing of the port certain skills are required on the management side, and in the operation of the port we get a change of emphasis on the skills that are required. This Bill sets up one body with the dual responsibility of developing the port and operating it, which is not a bad idea up to a point, but it means that the people involved would need to have a broader range of expertise than one would normally expect if the authority had only one project to consider. If this authority was being set up purely and simply to construct the port and its environs, then certain personnel would be required; but because the same authority will later be required to operate the port, then at this early stage I suggest to the Minister that more personnel should be appointed to the authority. Perhaps he will have another look at the constitution of that body when it is operating purely and simply as a maintenance and operating authority. I believe that the base upon which the authority will operate is not wide enough at present.

Mr. Hodges: It can co-opt where it wishes.

Mr. HOUSTON: I do not think that is the same. The Minister has had a lot of experience at meetings, particularly high-level ones, and he knows it is one thing to be there in one's own right discussing matters—having a kind of permanence—and another thing when one is obligated to someone else or when one is there because someone requires one's presence. It is a completely different feeling. We are dealing with people who have ordinary human reactions. For those reasons we have to look at the authority from that point of view and think of it not purely as a constructing or operating authority but as an authority which will play this double role.

When it is completed, of course, the wharf complex will compete with private enterprise. I do not think anyone doubts that eventually this new complex will take business away from the existing wharves. It will eventually bring in a lot of business that is not coming to the port of Brisbane at present because we cannot handle ships of the size currently being used by international shippers. This proposal is another example of Government members decrying socialism but at every opportunity introducing socialist principles. This is a complex to be operated by a State authority. I have no doubt at all that the men or women appointed to the authority will operate it quite successfully. It does make me smile when I remember the Government's antagonism towards and criticism of the socialist principles adopted by the Labor Party, because when the expenditure of large sums of money is involved the National and Liberal Parties say to the Government, "You do it. We don't care if it is socialism, but we will not call it that."

I think we all agree that the present wharves are inadequate for ships of the tonnage which should be calling here at present. As they have appeared to be inadequate for some time, apparently the wharf owners have not seen fit to spend large amounts of capital on their progressive development and modernisation. It would be only common sense to expect that the wharf owners, knowing that eventually there would be a new wharf complex, would be loath to spend further capital on existing facilities.

There is a definite need for this project. From memory, I think the Minister said that investigations have shown that a trebling of the tonnage is expected in the next 10 to 15 years, and I have no doubt that it will take place.

Mr. Hodges: That is only if we have these facilities.

Mr. HOUSTON: That is right; but the point is that the money would be wasted, no matter what facilities were provided, if the produce was not there to be taken away. Therefore, I assume that the Minister's advisers have convinced him that if the facilities are provided and ships come here, three times the present tonnage of produce will be available. The Opposition has no fight with that.

The stage has passed when we should be arguing about whether the port should be on the south side of the river, the north side of the river or at Wellington Point. On my recent visit to the area, I could not see anything against the proposal in theory. However, as the Leader of the Opposition said, there are some factors about which members of the Opposition are not altogether happy—tides, prevailing winds, jellyfish, and so on—and it may be necessary for the Government to amend the present plan for the actual location of the wharf. When

I say that, I mean whether or not it is parallel with the bank of the river, or at an angle of 30 degrees, or up or down river from the proposed site. In the case of the roll-on roll-off wharf, the question is whether it would be better to have it farther upstream. Those who have engineering skill and a wide knowledge of marine matters will advise the Government on that. I support the suggestion by the Leader of the Opposition that it would not hurt to get opinions from people outside the Public Service who are associated with the working of the port.

As far as I am aware, there is no mention of a passenger wharf in the complex. If a passenger wharf cannot be included in the new complex—and I am going to suggest that it can—I trust that the Government will at least ensure that one of the existing wharves is updated to cater for the tourist and passenger trade. Having seen a few wharves around the world, I can say that our passenger wharves leave much to be desired. A tourist ship was in Brisbane recently and I spoke to people who had been on it. They did not have very much praise for the conditions that their friends from other States had to put up with at the Brisbane passenger wharf. I suggest that the Government should say to the people responsible, "Begin doing something about your wharf." Perhaps the Government could take a wharf and make it part of the complex at Fisherman Islands. The authority to be set up under the Bill will also control the Cairncross Dock, so I cannot see why it should not control another wharf under similar conditions.

Again I am accepting the plans made available to honourable members, and I do not want the Minister to get the idea that the Opposition is criticising only because it has seen those plans. I prefer to mention these matters now. The first two wharves to be built would be a container wharf and a general cargo wharf, and I think it is only common sense that that should be so.

On the question of the siting of a coal wharf in the complex, I say to the Committee that from information I have been able to obtain through reading and by talking to people, and from my knowledge of the area and the prevailing winds, I am greatly concerned about the stockpiling of coal, which obviously would be necessary, and about the loading. In fact, I am concerned about the whole question of coal storage on that site. Coal dust is a sticky substance that is very difficult to remove from clothing, motor vehicles and buildings. High winds such as those that were experienced in last night's storm would blow coal dust for miles, thereby creating problems in the area from Wynnum to Balmoral. I am totally opposed to the construction of a coal-loading wharf in the new port complex.

Similarly, wood-chip-loading facilities would create a nuisance. The Brisbane River is by no means the cleanest in Australia, but at least in the lower reaches fairly large

quantities of fish are being caught, illustrating that the water is reasonably clean. Magazine articles indicate that the stockpiling of wood chips can lead to pollution of rivers and streams, particularly in rainy weather. I would suggest that the port of Brisbane can well do without facilities for loading wood chips.

As to representation on the authority—it is not right to have only one representative for the Brisbane City Council and the surrounding local authorities. The authority will operate virtually as a harbour board, and a harbour board has on it full representation of all local authorities within its area. The port authority should have at least two local government representatives, one from the Brisbane City Council, the other representing all the surrounding local authorities. After all, the ratepayers are the ones who will be affected by the industries associated with the port development.

It is unfair to have only one union representative on the authority. He will be sitting round a table with representatives from industry or from employer groups. Authority meetings will not be conducted along the lines of employers versus the unions, but the thoughts of the employer representatives will naturally be towards profit margins. By all means have the unions represented on the authority, but let their representation be increased to three.

Reference has been made to a Gateway Bridge. At this stage I do not know whether it would be better to construct a bridge or a tunnel, but I shall use the term "bridge" to describe the cross-river connection. Unless a bridge is constructed, there will be utter chaos in the suburbs of Morningside, Balmoral and Cannon Hill. I have traversed all possible routes that could be used by heavy transport on their way to and from the new port. A truck driver will choose the route that is best suited to his vehicle. He certainly will not follow a designated route if it is not the best one for him to use. Whichever route is chosen, traffic hold-ups will occur at bottle-necks, such as the Valley, the Story Bridge and the William Jolly Bridge. Steps should be taken immediately to provide a cross-river link before it is too late. Planning should be undertaken now to construct the bridge as part of the works associated with the port development.

I totally disagree with the attitude of the Minister for Local Government and Main Roads. I do not care whether he and Mr. Nixon call each other all the names in the world; the fact remains that the Minister has not applied for Commonwealth funds to be allocated to the construction of a Gateway Bridge. The Queensland Cabinet should demand that a submission be put to the Federal Government for money for the construction of the bridge and associated road-works. The bridge would play a vital part in the development and operation of the new port complex.

I urge the Minister in the strongest terms to stop playing politics with his Federal counterpart and submit a case. It should not be hard to submit a good case. It is obvious from what Mr. Nixon said and the Minister said that they have not come together. Apparently the Queensland Government still believes that Canberra is Labor-held territory; but it is not. However, nothing can gainsay the fact that a bridge or tunnel across the river to connect the industries and road links in the north is absolutely essential. Traffic must get across the river without passing through the residential suburbs of Morningside, Norman Park, Mowbray Park, South Brisbane, and so on. It must be kept away from the suburbs which have enough trouble with their roads, apart from pollution and noise problems. A river crossing is only common sense. Let us get on with the job as part and parcel of this port development.

(Time expired.)

Mr. LAMOND (Wynnum) (5.21 p.m.): I was very interested to hear the newly appointed Minister for Tourism and Marine Services introduce this Bill. A similar Bill was placed on the table in April this year. After hearing the Minister's speech, I was happy to note that, with few variations, we were listening to the same speech as that presented in April. That indicates the thoroughness of the first presentation. The only change of magnitude relates to the number of commissioners which is being increased from seven to nine. That is to the credit of the former Minister, the present Minister and the department.

I am sure that all honourable members obtained copies of the Bill. In my area all sections of the community—all businesses and organisations—concerned with this problem received copies of it. Most of the comments I received indicated interest only in its contents.

Today I shall devote my speech to facets of the Bill that will help its passage through this Assembly, because the sooner it becomes an effective part of our legislation, the better it will be for my electorate, the city of Brisbane and the State of Queensland.

The proposed roads to the new port concern me. This legislation covers roads from the Fisherman Islands to the junction of Lytton and Pritchard Roads. I am concerned about the balance of the roads which service sections to the north and south. While the considerable advice I have received on the traffic flow indicates that no immediate need exists for the Gateway Bridge across the river, I am yet to be convinced that a bridge or tunnel is not necessary. I believe that the traffic flow to the port will be very heavy. It will come from areas to the north and south and its extent will necessitate the construction of a bridge or tunnel.

The strategic report published by the Minister's department was very interesting. As most honourable members know, a group

was appointed in 1972 to make a strategic study of the location of a port in the Brisbane area. Three sites were considered.

Once again I thank the Minister and his department for making available to me a number of copies of this report. It is my policy to make people aware of any proposals that will affect them. Those copies have been spread far and wide through my electorate and adjacent areas to let people know what is going to happen. If the development of the port is based on the philosophy of the study, and the planning that has gone into it, I feel that we do not have a great deal to fear. My only misgivings concern the roads that will be necessary to service a port of such magnitude.

I am reliably advised that from 1962 to 1972 the trade through our port trebled and that from this year till 1986 it will once again treble. I have also been told that, because of our lack of suitable port facilities, in the last year we lost something like 300,000 tonnes of container cargo to the port of Sydney. That cargo then had to be railed north. That is shocking. A city the size of Brisbane cannot afford to countenance such a loss. Most of that cargo was from eastern trade.

Comment has been made that it costs in excess of \$2,000,000 to dredge the Brisbane River. Although dredging of the river will continue on a reduced scale, there will be a great saving.

Those who have taken the time to study the information made available by the department would realise that the concept of the port development certainly is not new. Apparently many of the ideas embodied in the port development have been successfully implemented in London, Glasgow, Singapore, Melbourne, Fremantle and a number of other places.

We have been told that the cost of the completed port will be in the vicinity of \$60,000,000. I feel that that figure is conservative. I have no doubt that the completed cost will be far in excess of that amount.

The port will not only make for ease in handling the imports and exports for this part of Queensland, but will also create important employment opportunities. On the information made available to me, when the port has reached a reasonable stage of development, 1,000 or more people will be employed. To me that is a pleasing facet of its development, as it is virtually on the boundary of my electorate. Any type of additional employment is keenly sought.

I will read this interesting comment made to me, which I believe is reliably based—

"It is conservatively estimated that for every tonne of cargo passing through the port an amount of \$20 remains in the community. When it is considered that the present level of trade is in excess of 8,000,000 tonnes per year, the amount of money earned by the operations of the port exceeds \$160,000,000."

So the effect of a port on the prosperity and employment of surrounding areas is indeed great. There is no doubt that those people who live in close proximity to the new port and those who are employed and involved in it will be receiving their share of that estimated \$160,000,000, which is a lot of money.

A previous speaker made the comment that the development of a port in this area furthers the need for a hospital to be established in the Wynnum area. The people of Wynnum know of my continuing support for a hospital. It is pleasing that other honourable members, too, recognise this great need. As I have said so often in this Chamber, although the population of the Wynnum district is only some 14,000 people, it is a service area in many ways for a population in the vicinity of 60,000 people. Considering the number of people who will be employed at the port and those directly associated with it, the population will increase considerably. When I rise in this Chamber I never miss the opportunity to inform the Minister for Health that we need a hospital in Wynnum. This is one more factor stressing the need for it.

Mr. Houston: That has been advocated by every member since—

Mr. LAMOND: I will accept that interjection. During my 18 months here, I have been more vocal than any other member in putting the case for the establishment of a hospital at Wynnum, and I shall continue to make representations for it. The records of this Parliament will support my statement that I have been very forceful in my demands for a hospital there. Today, however, I am speaking on the proposed port of Brisbane.

I noted with interest the Minister's statement that steps will be taken to ensure that the peaceful living of the residents in the vicinity of the port will in no way be interfered with or restricted. He said also that the environment around the port will not be affected. I have said previously that to me these are two very important matters, and it is pleasing to know that the Minister agrees.

In the strategic plan, reference is made to a boat haven on the southern end of the Boat Passage. I am hopeful—and I believe this will be considered—that much of the soft fill for the causeway will come from the area where the boat haven will eventually be established. At this stage it is shown on the strategic plan as a proposal, but to me it is a vital aspect of the development of the port. We lack boat havens that can accommodate the fishing industry and the boat-building industry. If I am correct in my calculation of the size of the boat haven, it will be sufficiently large to handle those industries and it is vital in this part of Moreton Bay. At present, the fishing boats that operate in the southern part of Moreton

Bay have to unload at the fish markets at Wynnum. While those markets handle a great proportion of the fish in South Queensland, in many ways they are quite inadequate to handle the number of boats in that area. The haven should be created so that it can cater adequately for this industry.

It is probable that the Boat Passage will be closed partially. I thank the Minister for saying that the involvement of the Moreton Bay Trailer Boat Club (of which I am proud to say I was a foundation member and am still an active member) was one of the reasons for the Boat Passage being kept open for small craft. This is important because the people who use Moreton Bay as well as those who use the Brisbane River need access to that area.

However, displacement hulls with high masts or superstructure will be restricted in entering the Brisbane River from the well-known and well-used Boat Passage. This becomes an important point to consider. It will be simple to develop this haven as a deep water area by pumping spoil from it.

I express my pleasure at the Minister's note concerning the environmental effect of the development on the area. I understand from a reliable authority that the mangrove areas on the Fisherman Islands represent 1 per cent of all such areas in Moreton Bay and that only 1.6 per cent of the Fisherman Islands mangrove area will be affected by this development. Those figures show that there will not be a great effect on the environment.

The location of the rail link between the proposed port and the interstate railway system concerns me greatly. Although I have asked questions in the House on this matter, I have not yet received the answer that I want. Many comments have been made by ill-informed people on where the rail link is to be constructed. This port will have a great effect on the whole of South-east Queensland. I am told that its effect will spread as far north as Maryborough, as far south as Coff's Harbour and as far west as Charleville. There is therefore no doubt that its effect will be great and that the flow of traffic to the area will be very considerable.

I have been told that by 1990 the number of vehicles travelling to the port area will exceed 5,000 a day. Some people throw up their hands in horror at that figure, but it does not frighten me, provided roads are correctly located. When one considers the traffic flow across the Story Bridge and other major bridges, 5,000 vehicles a day is a comparatively minor number. But it is minor only if the roads are correctly located.

At this stage I support the Bill and reserve the right to speak on it later after I have had a chance to study it. I assume that much of its contents will be in line with the Minister's introductory remarks and the previous Bill.

I think that the sooner the Bill passes through all stages and becomes law, the better it will be for the people of Brisbane.

I support the comments of previous speakers concerning the effect on tourism of such things as the storage and handling of coal. I am sure that the department will look at these matters very seriously. Tourism is very important and it is also one of the Minister's responsibilities. I am quite sure that the port will include a wharf suitable for use by tourist ships. I am sure, too, that the Minister will give close attention to the handling of coal and other export items that could pollute the air of the important electorate of Wynnum and indeed the whole of Brisbane.

Mr. PREST (Port Curtis) (5.39 p.m.): I join with previous Opposition speakers in supporting the Bill. I should also like to join the honourable member for Bulimba in thanking the previous Minister for Tourism and Marine Services for affording us the opportunity to view present port facilities and the site of the proposed development.

After seeing the congestion in the Brisbane River now and bearing in mind the further congestion that will come with the advent of large container vessels and the building of wharves at Fisherman Islands, I am greatly concerned at the cost of these facilities and the provision of access to that site. After all, we have had a lot of experience with reclamation in Gladstone. Fortunately we had hills in close proximity to the land we had to reclaim. I do not think that this is so in the area around Fisherman Islands and I am quite sure that the reclamation work will be accompanied by quite a lot of noise nuisance. Nevertheless, noise and all the other little hindrances can be overcome if enough money is expended.

I want to tell honourable members this afternoon why we should not overlook the port of Gladstone as a container port. It already accepts much larger vessels than the container vessels at present operating, or likely to operate in the foreseeable future, in the port of Brisbane. In fact, vessels of up to 60,000 tonnes capacity now visit our port. Only 400 ships visit Gladstone per year, which is a small number in comparison with the number of ships visiting Brisbane. I believe 1,300 ships visited Brisbane in 1975. That shows that Gladstone can handle a far greater number of vessels even allowing for the expansion that it can expect to see in its capacity as a major bulk port.

It could not be argued that the addition of container traffic would cause congestion in Gladstone. No massive works are required to provide a container terminal at Gladstone because there are already three berths at Auckland Point. One of these berths has been designed to cater for the container trade. It is ideal for a container berth as it is 80 ft. wide and space has been left between the berth and the coal wharves at Barney Point to provide for an additional four

berths capable of handling the longest container vessel. Backing this area is 100 hectares or 250 acres of prime land upon which the necessary container storage and marshalling areas can be provided. The land is served by road and rail and is right alongside the main North Coast railway line. This area is ideally located for container-handling. All this, however, does not exhaust the possibilities of Gladstone as a container terminal. Further up the harbour, the Gladstone Harbour Board is reclaiming an additional 1,650 acres in close proximity to deep water. That land could or will be available to port users of all types.

The point I want to make is that it is a sound economic proposition to provide container facilities at the Port of Gladstone. Only minor modifications to the facilities already existing are required, and it must be remembered that one of the main exports from the region is beef. At the present time beef is transported daily by rail to Brisbane to be exported. I think with the price of beef that has prevailed over the past three years we must look at the transport costs of the primary producer. After all, he is the one paying the additional cost entailed in railing his beef from the point of production to Brisbane for export. In fact, many other commodities produced in Central Queensland are railed south. The Minister for Transport knows quite well that at present the railways are carrying this sort of material from North and Central Queensland to Brisbane and the provision of a container terminal in Gladstone would not only mean lower costs in the Port Curtis area but would have a far-reaching effect on the transport costs of people living in Central Queensland and in the central highlands. I am quite certain that the members from these electorates would also support me in asking the Minister to consider a container port for Gladstone.

Mr. Hodges: You have a very progressive harbour board now who should be doing that for you.

Mr. PREST: Yes, we have a very progressive harbour board. I am certain the Minister knows that. That board has done a great deal over the years. As I said the other night, I think it was in 1954 that Gladstone came alive with the introduction of the conveyor system of loading ships.

I am quite certain that it was the foresight shown by a former member of this Assembly, the late Martin Hanson, who was chairman of the Gladstone Harbour Board when that scheme was introduced, that brought prosperity and progress to the port of Gladstone. Tomorrow Queensland's giant new power station comes on line, and I am certain that when power is available many industries will be established on land that has been reclaimed by the Gladstone Harbour Board.

Gladstone is the greatest port on the eastern seaboard, but not enough use is being made of it. It would be a shame if

the advantages that Gladstone has are not taken into consideration when a new container port is being built. I agree that the port of Brisbane needs improvement. However, when one looks at the cost of this project—\$60,000,000 (and that, as the honourable member for Wynnum said, is a very conservative estimate)—it becomes obvious that a container port could be built in Gladstone, which has so many things going for it, for a very small percentage of the total cost of a port in Brisbane. I cannot dispute the Minister's statement that trade through the port of Brisbane could be trebled. But with the economic situation as it is now, a port and a terminal should be built that will see the State through for many years.

It should not be forgotten that there is a very safe anchorage in the port of Gladstone and that there is no difficulty at any time in berthing 60,000 tonne ships there. The Leader of the Opposition said that insufficient consideration has been given to safety at Fisherman Islands, and I sincerely hope that that matter will be investigated before the Bill is discussed a second time.

On behalf of the people of Central Queensland, I plead with the Government to give serious consideration to further development of the port of Gladstone.

Mr. M. D. HOOPER (Townsville West) (5.48 p.m.): I well recall how disappointed the former Minister for Marine Services was when, in about April this year, he wanted to introduce this Bill and the Government parties asked him to defer its introduction for several months to enable members to study its provisions and inspect the proposed wharf facilities. I am sure that now, in retrospect, he is very pleased that he made the wise decision to agree to that request. I am even more certain that the present Minister is pleased about it, because it will ensure the quick acceptance of the introduction of the Bill.

In common with the honourable member for Bulimba, I was very pleased with the two inspections I made with officers of the Department of Harbours and Marine of the old wharf facilities in the Brisbane River and of the proposed site of the new port on Fisherman Islands. It was a great education to me to see that the original wharves had been constructed almost in the main streets of Brisbane, or adjacent to them, and that over the years they had moved closer and closer to the mouth of the river as ships became larger and greater depths of water were required. Now the department has run out of space there and it is necessary to go out into deeper water.

In my opinion, the creation of the Port of Brisbane Authority is very desirable if Brisbane is to be upgraded as an international port, not only to enable it to compete with major ports in the South and in other parts of Australia but also to project planning

for wharf development in Queensland up to the year 2000 and beyond. Queensland, of course, has a very long coastline and many ports, most of which are managed by locally constituted harbour boards on which there is some Government representation. They are subject to a fair bit of control by Government departments, particularly the Department of Harbours and Marine, in the field of planning and development of harbour board areas.

In Brisbane, the Department of Harbours and Marine has had it reasonably good for some years because it has not had to build or maintain wharves. It is, of course, concerned with dredging and with providing navigational aids, but it is not involved in the installation of cranes, storage areas and back-up facilities, as are harbour boards. In Brisbane most of the berths and wharf facilities are provided by private enterprise. Over the years the expenditure by private companies on wharf facilities has amounted to approximately \$115,000,000.

What does the future hold for these companies that have invested such large sums in the provision of wharf facilities? Estimates of the cost of construction of wharves in the new port range from \$50,000,000 to \$100,000,000. But as the honourable member for Wynnum has said, no-one knows the cost until the work is completed. Where will the money come from?

The Minister has said that the authority will be financed by loans, which will be repaid by users of the port by way of dues and levies. This sounds quite all right; but \$100,000,000 is a lot of money, and I wonder whether the Federal Government will give financial support to the new port complex as it has done to the railways of this State, particularly to the scheme for electrification of the railway system in Brisbane. Will special assistance be given by the Federal Government, or will the money come from Loan Fund allocations? If the latter is the case, the harbour boards along our coast will be starved for money, because all of it will come to Brisbane.

For some years the Townsville Harbour Board was starved of funds, allegedly because no money was available. It was trying to obtain approximately \$500,000 to carry out reclamation works behind the large container crane, which itself cost approximately \$1,500,000 to erect. To avoid a shemuzzle of the type that exists at Hamilton, where containers are stacked three high and all sorts of congestion and delays occur, the Townsville Harbour Board desired to reclaim land on which to store containers. However, it was denied the opportunity of borrowing the finance necessary to carry out this work. If Townsville could not get \$500,000, how will Brisbane be able to get \$100,000,000?

I can see some merit in the decision not to allow the Townsville Harbour Board to reclaim land, because Townsville had large

areas of land not being used. However, as the director of the Department of Harbours and Marine is listening to what I am saying, I should like to explain the situation. The vacant land was nowhere near the container terminal, and is in fact now leased by Queensland Phosphates Limited. It is essential that the harbour board reclaim land, so I hope that it receives sympathetic consideration from the Government and that it will be allowed to proceed with this venture. It is unjust to allow large-scale development to occur in Brisbane and not in the decentralised areas of the State.

I wonder how many members realise that cattle that are bred in the Northern Territory and the Gulf country for export are slaughtered in Townsville or Rockhampton, from where the carcasses are railed to Brisbane for shipment overseas. The cattle producer is faced with the cost of 4c a lb. to have his carcasses railed to Brisbane for export. That is a ridiculous situation, particularly in view of the fact that many of our export markets are in Asia and North America.

Mr. Houston: It's bad planning, isn't it?

Mr. M. D. HOOPER: It is extremely bad planning; I couldn't agree more.

Approximately two years ago someone in high places in Brisbane decided that the carcasses had to be railed to Brisbane for export. This is pretty rough on the primary producer, who has to pay the added cost in the long run. Even wool that is grown in Central Queensland comes to Brisbane for export. Even the Premier's peanuts come to Brisbane!

Mr. Houston: We have even got the Premier here.

Mr. M. D. HOOPER: We are lucky in that.

Before long, if the honourable members for Mackay, Bundaberg and Hinchinbrook are not careful, they will see sugar grown in their areas railed to Brisbane for export. Government members are laughing. It's just that no-one has thought of that yet.

It is good sense to ship primary products through ports that are located close to the areas of production. By that I do not mean that we should establish about a dozen ports along our coastline. There is no reason why the primary products of Central Queensland and North Queensland should not be exported through, say, Gladstone and Townsville.

I am concerned about what is to happen to existing wharf facilities. The owners of the berths, cranes and storage sheds at Hamilton are vitally concerned and have made their feelings known to members of Parliament, some of whom have looked at the facilities. They are quite good and still have a very useful life, particularly when used to service ships of smaller tonnage. I

want to know why the wharf owners have not been involved in the forward planning or invited to participate in a joint venture in this new development at Fisherman Islands.

Mr. Houston: They are involved.

Mr. M. D. HOOPER: Why aren't they invited to participate in financing the project? If private enterprise were invited to participate in establishing facilities on the new wharves there would be a smaller drain on the State's resources.

Mr. Houston: The Government wants to set up a socialist wharf complex.

Mr. M. D. HOOPER: I would not go as far as to say that. It appears to me that we are setting up something like the Queensland railway system. That will mean a tax on Queenslanders throughout their lives. If private enterprise were more deeply involved we would have a far more efficient administration at Fisherman Islands.

Mr. Houston: You would not say that the present wharf owners provide good passenger terminals.

Mr. M. D. HOOPER: I quite agree. There are very few good passenger terminals in the Asian area, let alone Australia.

The TEMPORARY CHAIRMAN (Mr. Gunn): Order! I suggest that honourable members keep me in the conversation.

Mr. M. D. HOOPER: I am well aware that the existing port of Brisbane has reached maximum capacity. The bigger ships using the world's sea lanes need greater depths of water and larger areas in which to manoeuvre, particularly when strong wind is blowing. As honourable members have heard, strong winds are quite prevalent in Moreton Bay. Without a shadow of doubt the new port facility is needed.

In the same context, let us not forget the need to encourage greater trade in other ports on the Queensland coastline. Whilst on that issue I bring to the Minister's attention a matter that is very dear to my heart which I hope he will keep in mind. For some time I have been trying hard to get the A.N.L. intrastate shipping line operating between Brisbane and other Queensland coastal ports. As early as January this year the Premier saw the wisdom of the approach and wrote to the Prime Minister requesting that his Federal Minister for Transport contact our State Minister for Transport to discuss how agreement could be reached on commencing this service. About six months passed before the departmental heads got together. In July this year heads of both State and Federal departments discussed a shipping service between Brisbane and northern ports. It is remarkable that the only representatives of State departments who were invited to attend came from the Railway Department. Not one representative came from the marine sections. The Director

of Harbours and Marine and the manager of the port of Brisbane were both overlooked. If anyone knows anything about sea transport in Queensland, they would, not the Minister for Transport.

I understand that at the meetings discussions took place about what goods could be carried by A.N.L. when the service was introduced. It seems that our Transport Commissioner believes that what our railways do not want, the ships can have. In the meantime, ships are travelling almost empty. A.N.L. ships coming north discharge most of their cargo in Brisbane and travel farther north virtually empty. In North Queensland they stop at Townsville, pick up copper from the refineries, and return to their home port. It is unprofitable for A.N.L. ships to call at Mackay or Cairns and services have been reduced 50 per cent in the past three months. While A.N.L. looks like going broke because it is not allowed to compete against the railways or road transport operators, both State and Federal Governments are dilly-dallying instead of coming to a sensible agreement on how A.N.L. ships should operate between Brisbane and other northern ports.

Mr. Houston: They are only up to their usual form in dilly-dallying.

Mr. M. D. HOOPER: If private enterprise operated in this way it would not last very long.

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

Mr. M. D. HOOPER: Prior to the dinner recess I noted that the Minister for Transport had entered the Chamber. Unfortunately he is not here now. I wished to say then, in his support, that whilst I have been pressing for the introduction of an A.N.L. intrastate shipping service I have had the moral support of the Minister for Transport. Unfortunately, however, the departments have not been as active as I would like, and I know they have not been as active as he would like.

One concern I have is that we should keep all of our existing ports open. I appeal to the new Minister for Marine Services as part of his activities to see that more use is made of our existing ports for the handling of general cargo. In the long run, the immediate demand for the upgrading of facilities in Brisbane will be reduced if we keep open the established ports, if we keep them viable by ensuring that the produce from their areas is shipped through the ports.

I am not convinced that the standard of efficiency of Brisbane's existing port facility is worse than that in any other part of Australia. I have seen comparative freight rates. I do not wish to bore the Committee with the details, but the cost of handling containers in Brisbane is in line with that in Sydney and Melbourne. As for the time spent in handling cargoes, Sydney would be one of the worst ports in the world. So

Brisbane certainly has not been disgraced in recent years in its handling of containers with its existing facilities.

I hope that some attention is paid to the present port facilities in Brisbane and that they are not phased out too quickly; otherwise it could prove to be financially embarrassing for those companies that have established facilities. I feel that for some years we should be able to make use of those facilities. Not all ships coming to Brisbane will be of a mammoth size. As I see it, there is no great necessity for container ships to be the same size as super tankers. On the Australian coastline the 20,000 tonners are the most frequently used. I do not see any need to go all out for major development at the mouth of the Brisbane River, thus rendering obsolete existing facilities at Hamilton and Newstead. I hope that due recognition is paid to those companies which have provided our existing facilities and that a sensible attitude will be adopted in the over-all planning so that the transfer is gradual and that large sums of money are not spent in one great rush to the new port.

Mr. DEAN (Sandgate) (7.18 p.m.): I do not have much to say in this debate. However, I feel impelled to make some reference to this very important legislation.

A new port for the city of Brisbane is long overdue. For many years Brisbane City Council aldermen and people involved in commerce have realised the shortcomings of our port facilities. Some people are of the opinion that the new development will increase transport costs for some parts of our city and suburbs. Some cargo will have to be taken long distances to the new port. One answer that has been given—it was advanced many years ago by a former member, Mr. Ramsden—is a tunnel under the river. It is a pity that the powers that be did not look ahead in those days and build a tunnel under the river. It would have alleviated the transport problem that I feel is going to be experienced. Nevertheless, the benefit that will accrue from the new port will certainly outweigh any of the disadvantages.

I hope that the new port will lead to an improvement in my own electorate. At the moment the foreshores at Sandgate suffer from silt deposits from the Brisbane River. A great deal of waste, including sewage, is dumped in the Brisbane River. Most of the silt from the river dredging washes over the banks in front of Cribb Island and Nudgee Beach and finds its way to the foreshores of Sandgate—to Shorncliffe, Flinders Parade and down towards the "Eventide" Home. I hope that this development will ease that problem in my electorate because it does cause a lot of discomfort to people who live on the front. At times the silt causes stagnation and, when it is mixed with seaweed

and other marine refuse, the smell is not very pleasant with the prevailing breezes blowing towards the residential areas.

The honourable member for Bulimba referred to the lack of co-ordination. He amplified the lack of co-ordination between authorities such as the Queensland Housing Commission and other developers in the area. I hope that before the full implementation of the port scheme, many of these matters will be considered and that many of the people who are concerned in that area will be consulted so that if there is any lack of co-ordination it can be overcome within the next few months.

I was pleased to hear the Minister say that, although there has been a strong rumour, the Boat Passage will not be eliminated. It plays a very important role in the operation of small craft. Many small-craft owners today can transport boats to the river very quickly and the route through the Boat Passage to the South Coast, to Southport and to Jumpinpin and the other great fishing areas is a very safe one. I am happy to know that it will be preserved. In addition, many small-craft owners will be happy about that decision.

The passenger shipping facilities in the port of Brisbane have been a disgrace. Anybody who goes down to meet an overseas tourist visiting Brisbane for the first time feels quite ashamed. Many times I have urged the people I have met there not to base their first impression of this beautiful city on the facilities they see on the Brisbane wharves.

For many years I was a customs officer; I worked in the Customs Department for six years. During that time I met many people. Some of them commented on the shockingly poor facilities. In fact, there were no facilities for berthing ships or for the passengers once they alighted onto the wharf.

Then, farther down the river at Hamilton, the great problem was lack of transport to the city. Many overseas visitors were stranded because they could not get a cab. Many occasions when driving from the wharf, I have picked up strangers who have been walking towards the main part of the city because they could not find adequate transport.

I hope that rapid transport facilities will be provided to and from the new port. Perhaps consideration could even be given to a helicopter service to transport people to the main part of the city. It would save a lot of the traffic congestion that will occur. A lot of traffic congestion is already experienced in travelling through the Breakfast Creek area on the way to the Hamilton area. There are many traffic bottle-necks at the moment, so imagine what it will be like when the improved facilities are provided at the new port with its concentration of people and commercial interests.

As time goes on, this new port will result in a faster turn-round of shipping. From time to time commercial interests as well as passenger and tourist interests complain that Brisbane is not served as adequately as other cities in the Commonwealth with passenger and tourist shipping. In tourism today there seems to be a trend back to shipping. If one has the necessary time and money—mostly time—a sea voyage, even if only a short one to the Pacific islands, is, I think, the best type of relaxation one can get. Sea trips are becoming very popular. One has only to look in the week-end newspapers, Saturday's "Courier-Mail" in particular, to see how many companies are now advertising sea voyages. Increasing interest in this branch of the tourist trade is now being shown by a Russian shipping line. Although Russian ships do not come very frequently to Brisbane, I believe that they are causing a lot of concern to other shipping lines in the South. I feel sure that when our port facilities are improved we in Brisbane will get a greater share than we get now of services in both overseas and coastal shipping.

At this stage I shall content myself with those few remarks. When the Bill is received the Opposition will have a close look at it to see the full impact that it will make on the development of a new port for Brisbane.

Dr. CRAWFORD (Wavell) (7.26 p.m.):
Mr. Miller—

Mr. K. J. Hooper: Dr. Spock.

Dr. CRAWFORD: What an unkind remark! Actually if one were as famous as Dr. Spock and had been responsible for as many advances as he brought about, one could be very proud.

The Bill before the Committee is very important for the simple reason that a growing city, with a population approaching 1,000,000, needs to upgrade its port facilities to attract overseas shipping and to allow ships to turn round without undue delay or inconvenience. A new port is overdue.

I should like to place on record the appreciation of many people in this city of the very worth-while efforts that private industry and private investors have made over the years to improve the present port at Hamilton. It is a facility that has been entirely fostered by private enterprise for well over 100 years. Those who have been responsible for providing, under difficulties, facilities at Hamilton have produced a very adequate port. They have moved very much with the times in the provision of containerisation and, by progressive management, they have streamlined port facilities. By containerisation and other reforms, they have made available facilities that are first class in every way. They have trained men who were essentially manual workers to drive and control very complicated machinery. They have enabled machinery of this type that was originally obtained from overseas to be improved by local engineers in Brisbane. In

fact, some of the improved machinery used for shifting containers round the port has been sold overseas. This proves that Australian inventiveness and know-how is second to none when our people have the necessary facilities available to them.

It is important to remember that this has been a private-enterprise activity for many years, and I believe it is important in the planning of the new facility at Fisherman Islands that the department make use of the expert knowledge and advice that could be given by the enterprising firms that operate the port at present. I should like to hear from the Minister in his reply details of how integration of private firms and the port authority can be accomplished in the planning of the new port. I would also like to hear something about a time schedule on how and when these facilities will be introduced. It cannot be done quickly. It has to be changed in a regular manner so the general turnover of shipping in the port is regulated correctly and not allowed in any way to become chaotic.

While the new facilities are being constructed on the Fisherman Islands we must continue to dredge the river and use the old port. It is true that it is a multi-million dollar enterprise, whichever way we look at it, and it would be a shame if we wasted the present facilities and did not co-operate, as a Government, with those people who have over the years been so diligent in providing the present port facilities. Even the conventional wool-dumping press which has been used by wool storage and wool shipping firms over the years has been improved on by our own people here in Brisbane. I think it is important that we acknowledge the expertise of people who have worked on our wharves and in the conversion to containerisation in recent years and pay them due respect.

As far as the port itself is concerned, I believe Fisherman Islands is a good choice for the major port, but I would like to see extra facilities added. Some years ago a scheme was put to various politicians by a retired mariner named Captain Moore. I think probably the honourable member for Sandgate has heard of this gentleman. His idea was to locate the port in the general Wynnum area as part of a redevelopment scheme, but he also wanted to dredge a canal through the lower part of Moreton Island. Only three or four miles from the southern tip of Moreton Island there just happens to be a narrow stretch of land through which it would be quite feasible to put a canal like the Suez Canal, although it would no doubt be a major engineering undertaking. I have put this idea before previous Ministers holding this portfolio. Despite the polite replies I have received from the department, I do not believe any real form of feasibility study has been carried out.

Anything that can be done to enable the port to function as efficiently as possible is of very great importance, and if a canal

could be dredged through the lower part of Moreton Island, it would overcome the need to use the north-west channel via Caloundra and would thus save a very long trip for every ship coming into port. It is interesting to note that immediately on the bay side of this proposed canal there is a very extensive area of deep water where there would be no need whatsoever for further dredging in the area. Ships could anchor in this deep water and then they could go, according to the maps I have examined, directly from this spot inside Moreton Island across to Fisherman Islands. This would be a very short trip indeed. The whole process of the turn-round of ships in our port would be very greatly facilitated, and as a result the efficiency of the port would be further enhanced.

I commend that idea to the Minister. As I said, I have put it to the department before, but I do not believe that a properly oriented and expert feasibility study has been carried out. I would like to see one carried out as part of the new port development. Captain Moore is a sage and experienced mariner. He knows ports all around the world. He is still alive, but I think he has stopped trying to persuade the authorities to adopt his idea. I think it should be looked at in detail and not just rejected as some extravagant idea which is not practicable. I think it is practicable and I would like to see a feasibility study of it carried out.

Mr. ELLIOTT (Cunningham) (7.35 p.m.): I rise to make a few comments about this Bill as I see it affecting my electorate—

Mr. K. J. Hooper: The Drayton harbour.

Mr. ELLIOTT: That is right, the Drayton harbour. I remind the honourable member for Archerfield that my electorate is an export-earning area and therefore this Bill is of great significance to my constituents.

I congratulate the Government on having the foresight to bring this Bill forward and allow it to lie on the table, because it gave many of us an opportunity to do some homework on the whole exercise. Many honourable members also took the opportunity to inspect some of the port facilities, and so on. I believe that honourable members on both sides of the Chamber are very grateful for that opportunity, and I think that a similar course should be adopted more frequently.

I wish to indicate to the Government a few ways in which the development of the new port area could affect my electorate. Let me turn first to grain-handling. It is my belief that the Government has given an assurance that dredging will continue at the present facilities at Pinkenba while those facilities are being used. One would hope that not only would that happen but also that economy of scale would make it necessary to bring bigger ships into the river so that greater tonnages of grain could be sent out in a single ship. The use of bigger ships

might put the industry in a better position to achieve greater economy of scale and become more competitive on world markets. In many instances, of course, Queensland is competing with countries that are able to load grain into super tankers. Unfortunately, that cannot be done here.

In addition, consideration should also be given to the handling of fertiliser. The fertiliser industry has extensive facilities in Brisbane and, obviously, these are very important to primary producers on the Darling Downs. They are big users of fertilisers, and anything detrimental to the fertiliser industry, such as changes in the existing facilities or the unavailability of bigger ships, could increase costs. I ask the Minister to remain aware of that problem and make sure that grain growers are not disadvantaged in any negotiations in that field.

I should also like to refer to the production of coal at Millmerran. It is obvious that the stage will be reached when it will be desirable to export some quantity of coal from Millmerran, and I ask the Minister to make certain that some facilities are provided in the new port complex for the handling of Millmerran coal.

I again thank the Minister for giving members time to study the proposal. Many of us do not fully understand the ramifications of the Bill, and we still have a lot of homework to do. In my opinion, its provisions will have very wide and far-reaching implications for the State for many years to come, and I urge all honourable members on both sides of the Chamber to put aside political differences when considering the Bill.

I listened with interest to the speech of the Leader of the Opposition in this debate. He made some good points and I hope they will be followed up. Personally, I took some notes of what he said and I will certainly be considering some of the matters that he raised.

Hon. A. M. HODGES (Gympie—Minister for Tourism and Marine Services) (7.39 p.m.), in reply: I thank honourable members for their contributions to the debate and for their acceptance of the Bill. It is quite readily seen that the Committee is appreciative of the fact that new port facilities are required for the city of Brisbane and its environs and also for the State of Queensland and for Northern New South Wales. Honourable members are well aware of what it will mean to the State's economy.

Regrettably, quite a few honourable members pushed the barrow for their own areas. They made speeches that could well have been made in the Address-in-Reply debate and did not really refer to the Bill. Many of the matters they referred to are already dealt with quite adequately by the harbour boards. However, several very interesting points were raised. A number of subjects discussed are outside the scope of the authority and call for co-ordination between local

government and the various Government departments that will be associated with the development of the new port complex. I assure honourable members that the two or three worth-while matters that have been raised will be examined in depth and will be replied to fully at the second-reading stage.

Motion (Mr. Hodges) agreed to.

Resolution reported.

FIRST READING

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

CO-OPERATIVE AND OTHER SOCIETIES ACT AMENDMENT BILL

INITIATION IN COMMITTEE

(Mr. Miller, Ithaca, in the chair)

Hon. W. D. LICKISS (Mt. Coot-tha—Minister for Justice and Attorney-General) (7.43 p.m.): I move—

“That a Bill be introduced to amend the Co-operative and Other Societies Act 1967-1974 in certain particulars and for another purpose.”

Section 102 of the Co-operative and Other Societies Act 1967-1974 provides that the Registrar of Co-operative and Other Societies shall hold an inquiry into the affairs of a society formed and registered under the Act on the application of a majority of the board of directors of that society or of not less than one-tenth of the members of that society. It further provides that the registrar may appoint an inspector to hold any such inquiry.

Section 103 of the same Act provides that the registrar may of his own volition hold such an inquiry or appoint an inspector to hold that inquiry.

It has been drawn to my attention that some doubt exists as to whether the inspector appointed by the registrar should be an inspector who has already been appointed pursuant to the Act and who is a public servant or whether the registrar can appoint as an inspector some person who is not a public servant.

The purpose of the Bill is to provide clearly that a person who is not a public servant may be appointed by the registrar to be an inspector for the purpose of holding an inquiry into the affairs of any society formed or registered under the Co-operative and Other Societies Act. For administrative purposes this is most desirable and the Bill does this by amending sections 102 and 103 to so provide.

A consequential amendment is made to section 104 of the Act to clarify that an inspector who is not a public servant shall have and may exercise all the powers, authorities, protection and jurisdiction of a commission under the Commissions of Inquiry

Acts. Section 117 is also amended to indemnify the Crown in respect of the appointment of such an inspector.

The final clause of the Bill provides in effect for retrospective application of its provisions. This will ensure that the recent appointment by the registrar of an inspector to inquire into the affairs of two co-operative societies is and always was valid.

I commend the Bill to the Committee.

Mr. WRIGHT (Rockhampton) (7.46 p.m.): As the Minister explained, this could be termed enabling legislation to overcome a problem. It will certainly clarify the situation. I have no argument against a person who is not a public servant carrying out the investigations referred to by the Minister.

This legislation gives us an opportunity to comment on some other aspects of the Co-operative and Other Societies Act. In recent times some concern has been expressed about two organisations that were able to become registered under this Act. Through their fraudulent activities they created considerable financial problems for many Queensland people. What happened tends to support the concept that some of these co-operatives, whilst enjoying the advantages of corporate bodies, are not bound by the safeguards provided in the companies legislation of Queensland. We should look very closely into this.

The Act provides a very cheap form of incorporation. When honourable members study the Act they will find that it covers different forms and types of companies. It sets out classes of societies, such as trading societies, investment societies, credit unions, the Community Development Society, the Community Advancement Society, the mutual buying-group societies, the federation of leagues and so on. No-one would question the need or right of people to group together for mutual benefit.

In reading about the history of societies generally I found that credit unions originated in Germany and came to Australia in the early 1940s. That is one type of society that has been well accepted by most people. I believe that about \$600,000,000 is now invested in Australian credit unions and about the same amount has been borrowed from them.

The co-operatives have certainly assisted many people to purchase homes, but we must ensure that this legislation provides all necessary safeguards. Whilst co-operatives have the same powers as companies, it seems that they can escape many of the responsibilities of companies. It has been brought to my attention that the Australian Co-operative Development Society and the Rural Co-operative Development Society set themselves up under this Act mainly because of tax advantages. Because of the lack of restrictions and investigatory power—or, I might say, lack of investigation by this Government—people were ripped off, or at

least they were certainly fleeced. What can be done about it? I suggest that we should look very closely at the information provided in this House by the Premier to the Leader of the Opposition, when he spoke of white-collar crime and gave some figures indicating that about 2,000 investigations had been carried out in, I think, five years. If my memory serves me correctly, only one co-operative was involved in all the investigations.

When people in country areas and provincial cities can be so seriously affected by the activities of the Australian Co-operative Development Society and the Rural Co-operative Development Society, I wonder how it is that no investigation into them has been carried out. It would seem that we need to look very, very closely at this, as we did back in 1965. At that time we overcame the problem that arose when some groups were getting together and forming housing trusts. It was actually done under the guise of providing cheap houses and flats for the working people. As we found out—and as was found out in Britain and other Commonwealth countries—they did little more than carry on business as speculative builders. We overcame that, although, admittedly, we were very late in doing something about it. Legislation was enacted in England in 1939, but we did not act until 1965. At least we did something about it.

Under the present Act the registrar cannot register a society unless he is satisfied that it is a bona fide co-operative society conducting business mainly for the benefit of the community; yet we had two groups that got through that safeguard. They were not found out, as I will mention later on, when it came to some type of auditing check. The recent fraudulent activities of the two societies that I have mentioned surely must stress that there are at least some areas in this law that are now in need of review.

The fact that the Government has not legislated to overcome the problem that arose with those two societies makes me wonder how sincere it really is when it comes to wiping out white-collar crime in this State. Surely we have the opportunity now, as the Act is before the Assembly, to do something about it and to tighten up the provisions to ensure that this cannot happen again. We need to review the whole matter. It is an area that could be profitably referred to the Law Reform Commission. The Government's attitude is typical of the lack of concern about white-collar crime that has been shown not only by it but also by many other Governments in recent years. As I said before, the figures show that something like 2,000 investigations have been carried out, but this aspect did not come out. It is incumbent upon the officers who have the task of administering this Act to see that the people in this State are not fleeced. It is clearly apparent not only that

no investigation was carried out before, but that no investigation has been carried out since.

One requirement is that the auditing provisions of the Co-operative Societies Act should be reviewed and strengthened. When any group of people get together and are responsible for handling large amounts of money that is contributed to a common pool, there ought to be some type of stringent accounting system. The best way to keep tabs on fraud and to establish safeguards against it is to give the auditing provisions stronger teeth. Usually an audit takes place annually. However, we must keep in mind that in those circumstances the directors are given 12 months to get their books into some sort of order. We also know that the ordinary subscriber has a legal right to review his own account and to see certain aspects of the society's books, but I think he is bound to look at only the last audit statement or his own involvement in that society. It would seem to me that at certain times the Government or members of the society should be able to ask for complete answers to all questions. At the moment this does not seem to be possible.

The greatest justice that this Legislature could do would be to bring all the corporate bodies and associations under one Act. After all, the result of the Co-operative and Other Societies Act is that societies have become similar to (some might say assimilated with, to a great extent) companies. I see some advantage to members of the public, to the subscribers, to directors, to accountants and to lawyers if the somewhat muddled picture of all the various legal organisations known to the law as private companies, public companies, friendly societies, co-operative societies, primary producer co-operative societies, credit unions, finance companies and so on was encompassed within the one Act.

From information given to me by a practising solicitor in Brisbane, it would seem that there needs to be some clarification between this Act and the Companies Act. It has been pointed out to me that section 6 of the uniform Companies Act sets out the definition of subsidiary and holding companies. It appears that this includes co-operatives. However, other sections of the Companies Act are ambiguous. One example is section 374, which relates to the restriction of offering shares and debentures for subscription or purchase. Section 375 of the Companies Act relates to false and misleading statements. These safeguarding provisions do not apply to co-operatives and I believe that they should.

It is not my job to criticise the Minister; he has only recently taken over this portfolio. But if we can take an indication from his activities already—and I hark back to the Art Unions and Amusements Regulations—it seems that he is taking his job very seriously. I hope that the Minister will see his way clear now to look into this whole question.

We must maintain the right of people to group together for their own mutual benefit. We must encourage it because it is certainly in the interests of the community and of individuals. But we must always ensure that we do not allow groups to set up under the guise of co-operatives with some massive land development deal and, in doing so, cause serious financial problems for people. I ask the Minister to look into this question very carefully.

I also ask him to look at the investigatory powers when it comes to corporate crime. In April this year the then Minister for Justice (Hon. W. E. Knox), because of his concern at the lack of investigatory staff, advertised 19 vacancies. I may be wrong in the figure, but I think it was something like 19 vacancies. To my knowledge those positions have not been filled. If we are to overcome the problems of white-collar crime, we need to have adequate investigatory machinery. Also it would seem that we should possibly follow the suggestion of Frank Walter, the New South Wales Attorney-General, that a computer system is needed to keep a closer check on white-collar crime.

Mr. Katter: All of these investigations would cost a lot of money.

Mr. WRIGHT: It might seem to be a lot of money, but let us keep in mind the thousands, tens of thousand and hundreds of thousands of dollars that have been stolen over a period. Surely, then, we have a right as ordinary citizens not only to investigate but also to ensure that wrongdoers are prosecuted. We will spend any amount of money to overcome normal stealing offences. We know the amount of money spent not only by this Government through the Police Force and so on but by businesses to overcome shoplifting. Yet the honourable member for Flinders says that we should not do it because it would be a waste of money. I question that.

I start to suspect any honourable member who says that we cannot do something because of lack of money. I start to wonder what his tie-up is and why is he saying this. The previous Minister for Justice was prepared to spend a huge amount of money on the appointment of 19 extra officers. But it would be a worth-while and necessary cost. So I am rather suspicious of the honourable member for Flinders when he makes that comment and I start to wonder about his involvement with some of the companies and in some of these issues.

We need to come to grips with the problems of white-collar crime in this State. It is one that is always found in developing societies. Because of the profit motive, we will find it always in the Western World. There were some rather interesting revelations in Sydney when the Labor Government first took over and certain files were found in the various cupboards and cabinets and were subsequently released.

As this is a technical and important measure, we must ensure that public servants and others can be involved in an investigatory role under this Act. We need to come to grips with the problem so I ask the Minister to consider it carefully. I am not suggesting that he make a great name for himself as the person who wiped out white-collar crime. It is not a job for one man. The problem will be overcome only by improving our legislation.

Mr. BURNS (Lytton—Leader of the Opposition) (7.59 p.m.): The debate on the introduction of a Bill to amend the Co-operative and Other Societies Act gives us an opportunity to talk about the Australian Co-operative Development Society and what its directors were able to do to a large number of Queenslanders owing to the lack of investigators and staff in this area.

We have allowed co-operatives to drift along because they are generally societies of people who have a mutual interest and are working for one another's common good. But a number of smart people have moved in on the co-operative movement and used it for their own purposes. As I have indicated, I refer specifically to the Australian Co-operative Development Society Limited. I should like to crave your indulgence, Mr. Miller, whilst I refer to a few of the remarks in the statement by the liquidators to a public meeting in the city hall on this matter. They show how lack of action can bring about a lot of hardship in the community.

On 5 March 1976 a petition was presented to the Supreme Court of Queensland for the winding-up of the Australian Co-operative Development Society Limited. On the same day an application was made to the Supreme Court *ex parte* (that is, without putting the society and its directors upon notice) for the appointment of Wilson John Wilde and Ernest George Harris as the chartered provisional liquidators of the society. They were appointed by the court late that day.

On the same night—in fact about 1.30 a.m. on Saturday 6 March—the provisional liquidators and their staff entered into possession of the premises occupied by the society at Toowong and removed all the relevant records and property of the society to the liquidators' premises in town. On Sunday 7 March, the liquidators and a large number of their staff started to examine the books of the society in order to understand the transactions into which the society had entered and to ascertain what property it had and, in consequence, to take possession of it.

Late that same Sunday afternoon, an application was made *ex parte* to a judge of the Supreme Court of Queensland by the directors of the society and, as a result of the application, the order made by the court appointing the provisional liquidators was discharged. The provisional liquidators were ordered to deliver back all the property

including documents, copies and extracts to the society by 3 p.m. on Monday 8 March. I might say that I think they took some copies before they handed them back; but they did send them back.

As I said, the provisional liquidators were ordered also to deliver all of these things by 3 p.m. save and except for certain copies of journals and other accounting records which, by order of the court, were placed in sealed envelopes. Very shortly after that, the people who had sought the original winding-up order went back to the court and obtained another order. When they did, they discovered that documents were missing. Indeed, as a result of the fiasco over that week-end they have not yet been able to completely sort out their affairs.

This afternoon the Minister for Works and Housing told us that the people who have deposited with the Australian Permanent Building Society will get some of their money back in four to six weeks under the dollar-for-dollar scheme introduced by Sir Gordon Chalk in April of this year. But those with money in the Australian Co-operative Development Society are still waiting for answers to the questions that bedevil them because most of them probably have lost their money.

From the report brought down by the liquidators it was fairly obvious that some directors had used the Australian Co-operative Development Society as a milking cow. They had bought property for \$1,000. They then sold it to one of their companies for \$20,000. They then borrowed \$400,000 and passed property again from one company to another. They had virtually used the company system to transfer money from the public purse to their own pockets.

The Government appointed an investigator. This is the point, I think, that the Minister is making today: in future when inspectors are appointed to make investigations on behalf of the department, they need not be public servants. In this particular case, a Brisbane barrister was appointed. I made some submissions to him and I believe they require some consideration by the Government. I do not know what is the role of the investigator in the matter of submissions made by members of Parliament. As I read the Co-operative and Other Societies Act, section 81 (1) requires a director to act honestly and diligently.

From the report by the liquidators it is very clear that Mr. Knudsen and Mr. Sinclair had stated on 7 March 1976, and in affidavits filed with the Supreme Court on 26 March 1976, that the society was solvent. Evidence contained in the liquidators' report clearly shows otherwise. It shows clearly that they had not acted in accordance with section 81 (1). I believe that, for that reason alone, as soon as the liquidators' report became available some action should have been taken against them. To my knowledge, no action has been taken against them to date.

I believe that we have to strengthen this Act to make certain that section 81 (1) and similar sections are in future properly observed.

I do not think the Consumer Affairs Office had sufficient staff to keep an eye on Mr. Knudsen and Mr. Sinclair of the Australian Co-operative Development Society Ltd., Ebbs Pty. Ltd. or any of their other firms, like Condamine Country Estates. It is true that the people themselves ought to be diligent and that they ought to check on what these operators are saying, but believe me, it is not as easy as that. I have had statement after statement about these firms from people in my electorate. I have sent to the investigators these sworn statements in which these people say that they were conned into lending money to this society. One lady from Cannon Hill wrote—

"I opened an account with A.P.B.S. in 1973. The Manager of their Morningside Fair Office from then on constantly suggested that I should commence another, and alternative, savings scheme. Generally, he expressed a desire for me to join a balloting system, which I refused. After this refusal he suggested Term Deposits, with an emphasis on the longer terms. I was concerned about the safety of money put into such schemes, but the Manager reassured me of their safety.

"He stated that the raised seal on the share certificates was a Government Seal and thus the Society was backed by the Government. In addition he said that if any difficulties were experienced the Banks would back the project, or other Building Societies would amalgamate to assist the Society. As a result of his urgings and reassurances in April 1974, I deposited \$500 on a 2-5 year term. The Certificate I received in return the Manager referred to as a 'Bond'."

This was an operation of the Australian Co-operative Development Society. He said the raised seal was the Government seal; that made it right. This is not the only case. I have letter after letter. I have only photocopies here because some of the letters have been sent to the barrister who has been appointed to investigate these firms. Another letter I have here reads—

"My husband . . . and I opened an account at the Morningside branch of the Australian Permanent Building Society in about February 1974."

Once they opened the account, the manager there then started work on them—"Look, you are only getting 8 or 9 per cent out of the building society and I can get you 15 per cent in Condamine Country Estates or Rural Co-operative Developments. I can make more money for you. You know all the money people are making in real estate today. It's easy. It is a co-operative society, it is registered under the Act and it is Government guaranteed. You have no worry, you are protected by it."

Mr. M. D. Hooper: It has gone.

Mr. BURNS: That is right. Their money has gone. These letters are here to be seen. It is said that people should read the Co-operative and Other Societies Act. I do not believe anyone who went down to Morningside Fair to invest their funds would have done so. A lot of good honest working-class people fell for the ruse. They went along to put their money into the Permanent Building Society but were convinced by this smooth operator there that instead of getting 9 per cent it was easy to get 12 per cent or 15 per cent Government guaranteed. If they had read the Act, it would not have helped, for a lot of sections in the Act would lead those people to believe that they were protected. Section 81 (2), for example, states—

"An officer of a society shall not make use of any information acquired by virtue of his position as an officer to gain directly or indirectly an improper advantage for himself or to cause detriment to the society."

Section 81 (3) makes an officer who commits a breach liable to the society for any profit made by him or any damage suffered by the society as a result of that breach of the section.

I felt after reading these letters that I should make some recommendations to the investigator, but I did not send them to him as I did not know whether that was really his role or whether his role was just to report to the Minister the facts about the Australian Co-operative Development Society as he sees them. I still have the recommendations here—I have not passed them on—but some of them relate to the Act and I had hoped that when the Bill came before the Committee it would contain some of these items and not just the one mentioned by the Minister. The liquidator's report on this society suggests that sections 112 and 113 of the Act might have been breached by these people, and it is obvious that the administration of the Act so far as those sections are concerned is not effective.

Under section 101 of the Act the registrar has power to inspect any minutes, registers, books and documents of any society. The opinion of the liquidators indicates that a random inspection of the society's books and documents at virtually any time after the society's inception would have revealed these offences and would have prevented breaches of the Act. In fact, the liquidator suggests it was unlikely that at any time from the day the society started it was solvent.

Accordingly I recommend that it be the policy of the Registrar of Co-operative and Other Societies to undertake regular and random inspections. I think we have legislated to do that with permanent building societies, that is, have regular checks without prior notice to the relevant society.

It should be remembered that co-operative societies fall into one of several categories. Some comprise honest, decent people who form a co-operative to work together. Often many of them are not businessmen but people who have a common aim in life.

Then there are others who are more professionally based co-operative societies.

Then there is the third category, those like the Australian Co-operative Development Society, which was never really a co-operative and was never really set up to help anyone but its own directors. Of course, Mr. Muller, who was a well-known criminal from the South who could not even be a director of a building society under our laws, had relatives and friends appointed to positions on the board to manipulate funds out of the building society into co-operative development societies. Later I will be asking questions of the Minister for Works and Housing on that, because the report shows very clearly that money was manipulated from one to the other. I wonder how it will be possible to balance the books and pay dollar for dollar. It is an interesting exercise, and I am pleased that the Government has been able to solve the problem for the people involved. At the same time I should like to see the accounting report.

I would also recommend that the registrar, through the Justice Department, compile and distribute pamphlets on the operation of the Act and the rights and duties of members and officers of the society. I do not say that the Government should have to pay for them. However, if people set up a co-operative development society, or a co-operative community society, or something like that using the word "co-operative", suggesting that because they are registered under the Act they have some sort of Government support, they ought to be required to explain in some way what a co-operative is and provide for people joining the fund a pamphlet and, if nothing else, at least say, "Here, take one of these. Take it away and read it."

In co-operation with other sections of the Department of Justice, information offices should be established in the country and in other areas of the State to ensure that the public has adequate opportunity to lodge complaints and receive advice.

In the case of the Co-operative Development Society, the real problem that people faced was that they did not know where to go. Having discovered one day when they picked up the newspaper that the Australian Permanent Building Society had closed, they went to the office where they used to bank their money and found that the co-operative development society fellow had disappeared in the closure. They were lost. They did not know where to find the Registrar of Co-operative Societies; they had no information about the company. Eventually they had to go to a member of Parliament or to a newspaper to see if they could get some assistance.

So I suggest that when a person becomes a member of a society, he should receive from that society a documented summary of the activities and objects of the society and the rights, duties and liabilities of members and officers of the society. Why not? If the Co-operative Societies Act is to be used as a means of ensuring that registration is obtained, and if a co-operative society is formed for the purpose of uniting members in a community effort, it is not unreasonable to require it to supply its members with information on the rules and their rights under those rules.

I have a long list of suggestions about co-operative development societies, and I would be pleased to send them on to the Minister because I do not wish to take up the time of the Committee. I suggest to the new Minister in charge of the Justice Department that, in view of the activities of the Co-operative Development Society, the Australian Permanent Building Society, Condamine Development and Rural Co-operative Development Society and others that have been set up recently, it is time for us to have a close look at the people who are manipulating some of the co-operative societies and certainly to have a look at the Act to see whether it can be tightened to protect the ordinary investor who has been badly misled.

Hon. W. D. LICKISS (Mt. Coot-tha—Minister for Justice and Attorney-General) (8.14 p.m.), in reply: I thank honourable members for their contributions to the debate. The honourable member for Rockhampton rightly said that this is a very simple but important measure to ensure that inspectors who are appointed, whether they be members of the Public Service or not, are duly authorised inspectors pursuant to the Act. That virtually covers the substance of the motion currently before the Committee.

I was very interested to hear some of the remarks of the honourable member for Rockhampton that were outside the scope of the proposal now under consideration. I have very vivid recollections of making a speech in this Chamber on the accounting and presentation of accounts of co-operative associations. It was a matter that concerned me quite a few years ago—I think some 10 years ago—when company accounting was related to co-operative accounting and the provisions under the Companies Act to provisions under the Co-operative and Other Societies Act. I must admit that at that stage I was not very pleased with what I read in relation to co-operatives generally. However, as in other matters, I as Minister will keep this matter under review. I believe there is room for a tightening up of certain aspects of the operations of co-operatives.

Like the honourable member for Rockhampton, the Leader of the Opposition, too, made certain observations on the general legislation. He has obviously conducted a close study of it and of certain activities of

co-operatives in this area. If he has any suggestions or documents that could be useful, I would be only too pleased to receive them and give them earnest consideration.

I commend the motion.

Motion (Mr. Lickiss) agreed to.

Resolution reported.

FIRST READING

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

DISTRICT COURTS' AND MAGISTRATES COURTS' JURISDICTION ACT AMENDMENT BILL

INITIATION IN COMMITTEE

(Mr. Miller, Ithaca, in the chair)

Hon. W. D. LICKISS (Mt. Coot-tha—Minister for Justice and Attorney-General) (8.18 p.m.): I move—

“That a Bill be introduced to amend the District Courts' and Magistrates Courts' Jurisdiction Act 1976 in certain particulars.”

The District Courts' and Magistrates Courts' Jurisdiction Act 1976, which was assented to on 15 April 1976, is to commence on a day to be fixed by proclamation.

Sections 12 and 14 of that Act seek to update the provisions of the District Courts Act by omitting from sections 88 and 90 the reference to the now-repealed Landlord and Tenant Acts and substituting the appropriate reference to the Property Law Act.

A further examination has now revealed that, by virtue of the provisions of the Residential Tenancies Act, the effect of these amendments will be that District Courts will have jurisdiction in actions to recover possession of dwelling-houses but not in respect of other land.

This Bill therefore proposes to correct the anomaly by deleting reference to the Property Law Act as well as the reference to the repealed Landlord and Tenant Act in sections 88 and 90 of the District Courts Act, which will result in the District Courts having jurisdiction in relation to the recovery of possession of any type of land. I commend the Bill to the Committee.

Mr. WRIGHT (Rockhampton) (8.20 p.m.): The Minister explained the reason for this legislation. I accept it. We all realise that we cannot have this anomaly in our legislation. We must be sure that the District Court has power to act on any matter involving the recovery of land.

The introductory debate gives honourable members a chance to make general observations, and I have some to make. In recent years we have examined the jurisdiction of Magistrates Courts and District Courts. For some time concern has been expressed about our burdening the Magistrates Courts. It

has been said that if present procedures continue it will be hard to tell the difference between District Courts and Magistrates Courts, except that in one instance the court is presided over by a career officer who usually gravitates from clerk of the court.

I think my observation is valid because the Magistrates Court was established originally to ensure cheap, speedy justice, especially on matters of a petty nature. However, this year and other years we have gradually increased the quantum of cases coming before the Magistrates Court. The recent increase was to \$2,500, but when counterclaims are involved the sum can be as high as \$5,000. That is in line with the inflationary cost of goods.

It has been said that as we place additional burdens on the Magistrates Court, we must look very carefully into whether or not the magistrates can handle the cases brought before them. There are arguments for and against increases in jurisdiction in the Magistrates Court, but I accept for the moment that they are warranted. We must therefore look carefully at the magistrates presiding over these courts. Because of the burdensome and problematical aspects of certain legislation young solicitors say that counsel are required, and costs are increased. This worries a lot of people.

The other side to the story is that counsel representing clients may be far better trained than the magistrates. It has been suggested that we should ensure that magistrates are properly trained. I think there are 59 magistrates in Queensland, who preside over about 200 Magistrates Courts. The Magistrates Courts are a very important part of the State's system of justice. If present trends continue, barristers and solicitors could know far more about the law than magistrates. If that happens, we will continually have allegations that some magistrates use a special rule-of-thumb list for offences brought before them. That is not what our justice system is supposed to deal out. We must look into the question of the expertise of magistrates to hear matters of a substantial legal nature.

I recently read that Victorian magistrates are required to study 10 pure law subjects and must have 10 years' experience before going onto the Bench. In Great Britain, magistrates must be at least solicitors. I believe that we have only one magistrate in Queensland who is not a qualified solicitor. That has not always been the case and there is no guarantee that it will always be the case. Many clerks of the court will act in that capacity or rise to the position without the academic qualifications or expertise behind him.

As we compound the situation with more difficult legislation and more difficult cases, there is a danger of incompetence, which is very worrying. Without breaking the sub-judice rule, I mention the recent incident in

Cooktown where a man acted in the capacity of a magistrate and allegedly asked the police prosecutor what type of penalty he should bring down. Exceptional circumstances were involved in that incident, but there is always the danger that the personal feelings of a magistrate may colour his judgment. One magistrate in Queensland has become known as "Two hundred and six", because his penalty is always \$200 and six months for a certain type of offence. There is also the danger of what happened recently—a magistrate making public statements about an issue on which he had to adjudicate. That involved three teachers. Again this is wrong.

We need to take note of the large number of writs of prohibition petitioned before our Supreme Courts in the administration law jurisdiction. This raises again the competence of some magistrates. We need to note the number of *nolle prosequis* being entered in jury trials, indicating that some magistrates are committing many matters for trial that they ought to have struck out. No-one expects the magistrates to be infallible. No-one expects them to be perfect. But surely this raises a question of wasted time and wasted money.

I spoke before about the rule of thumb. That allegation has been made by a solicitor who actually found a list, which has been spread among the legal fraternity. It is alleged that some magistrates were using a rule of thumb to determine the way in which they would deal with some offences.

I personally see much merit in the idea of having magistrates come from the ranks of clerks of the court. However, while the career magistrate is a fine concept—and if I had to give an example in the State, I would point to the stipendiary magistrate in Rockhampton (Ted Loane), a man with tremendous expertise—there is also merit in the idea of bringing qualified persons from the legal profession into the magistracy, that is, appointing solicitors and barristers who have had some years of training. That is a subject that ought to be looked at very carefully.

I might at this stage raise some of the problems occurring within the Magistrates Court. The use of the dock surely should be abolished. Defendants should be allowed to sit at the bar, as they are in other jurisdictions. Otherwise they are unable to communicate with their counsel. It is contrary to the fundamental notion of justice that a man is innocent until proved guilty.

Mr. Lindsay: What about the victims of crime?

Mr. WRIGHT: I take that interjection. It is amazing that the member for Everton would put forward an idea that every defendant is guilty. He speaks about the innocent victims. A man is innocent until he is proved guilty, and he should be treated as such.

I turn now to another area of the Magistrates Courts. If two parties in a civil action are willing to have their litigation heard in a district of their choosing, they should be able to do so. I was told of a case in which a 64-year-old man was involved in a collision at the Gables weighbridge. He had to travel backwards and forwards to Inala, which involved considerable cost and waste of time.

It is time that we upgraded some of the facilities in our Magistrates Courts. In the southern area things are improving rather rapidly. In Rockhampton recently an upgrading move was made. But in many court-houses there is no provision for the private interviewing of witnesses. There are inadequate waiting rooms and crowded conditions. Some are very poorly lit. There is an absence of telephones.

Mr. Lowes: Where is this?

Mr. WRIGHT: I am referring to court-houses in some of our country areas, where Magistrates Courts just do not have the facilities that they should. I have heard people complain that they sat with their counsel but had the prosecutor sitting alongside them as they tried to discuss some points before going into court. These are matters that should be looked at.

It has also been brought to my notice that there is a lack of recording facilities, although the previous Minister for Justice said that this matter was being dealt with by the use of tape recorders.

When legislation such as this is introduced it gives us an opportunity to raise a number of matters that have been brought to our notice as members of Parliament. We cannot overlook the importance of the Magistrates Courts in Queensland. We have 59 magistrates, and there are 209 Magistrates Courts in the State. I will give honourable members an idea of the work-load they carry. In 1973-74 they handled a total of 125,728 criminal or quasi-criminal cases. So we are talking about a very, very important area of the administration of our law.

It is important however, that justice is not denied—and it will be denied unless the person acting as the adjudicator (in this instance the magistrate) has the necessary expertise and also that the counsel representing the parties have adequate facilities.

Mr. Lowes: Is this a Civil Liberties brief that you have?

Mr. WRIGHT: No it is not. It is just general notes. What I tend to do—and I do not apologise for it—is to list the cases that are brought to me and any matters raised in correspondence. When I know that legislation is to be introduced, I take out the points and put them together. This gives me the opportunity to raise them for the benefit of the Minister. We know that Ministers do look at these matters and have legal advisers from the Crown Law Office

who take note of them. They may not agree with them. I am sure that as a practising solicitor the honourable member for Brisbane will know that changes have been brought about because members of Parliament have taken the opportunity to raise these matters during an introductory debate. This is one of the privileges and advantages of having a very liberal introductory debate.

I ask that the Minister look at the questions I have raised. I support the measure before the Committee. It has the support of the Opposition as well.

Hon. W. D. LICKISS (Mt. Coot-tha—Minister for Justice and Attorney-General) (8.31 p.m.), in reply: I thank the honourable member for supporting the measure. As he said he would, he ranged far and wide on the actual issue and covered much that he wanted to convey in relation to the Act generally. There is nothing more that I wish to add at this stage.

Motion (Mr. Lickiss) agreed to.

Resolution reported.

FIRST READING

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

THE HONOURABLE JACK LAWRENCE KELLY ENABLING BILL

INTRODUCTION

Hon. W. D. LICKISS (Mt. Coot-tha—Minister for Justice and Attorney-General) (8.33 p.m.): I move—

“That a Bill be introduced to authorize The Honourable Jack Lawrence Kelly, a Judge of the Supreme Court of Queensland, to accept take and perform the duties of the office of Judge Advocate General of the Army.”

The Federal Minister for Defence has intimated that he desires to seek the appointment of the Honourable Mr. Justice Kelly of the Supreme Court of Queensland as Judge Advocate General of the Australian Army.

The office of Judge Advocate General is one of long standing, and the holder of the office has the status and privileges of a major-general. It is indeed an honour that one of our Supreme Court judges is being sought for appointment to this high office.

The duties of Judge Advocate General are specified in the Australian Military Regulations as comprising the following:—

(i) To advise the Governor-General, the Minister, the Chief of the General Staff and Principal Staff Officers on such matters of law or mixed law and fact as they refer to him for his advice;

(ii) To examine and advise on all court marshal proceedings not reported upon by a Deputy Judge-Advocate-General;

(iii) To examine and advise on all petitions in respect of courts martial; and

(iv) To give such rulings and opinions on military law as he thinks necessary or advisable.

Under section 12 of the Supreme Court Act 1867-1975 a judge will vacate his commission as a judge if he accepts an office of profit or emolument which is not granted to him under Her Majesty's sign-manual or by authority granted under the Great Seal of the High Court of Admiralty of England or as may be cast upon him by law.

The acceptance of the office of Judge Advocate General for the Army will involve an entitlement to remuneration. Accordingly, the appointment will be to an “office of profit or emolument”, and it matters not that there is a decline to accept any remuneration. Since the office is not one which is cast upon the judge by law, the acceptance of the office of Judge Advocate General would be deemed in law an avoidance of the office of judge of the Supreme Court.

The Bill seeks—

(i) Firstly, to authorise Mr. Justice Kelly to accept the office of Judge Advocate General for the Army in addition to holding his commission as a judge of the Supreme Court of Queensland, and,

(ii) Secondly, to receive payment of his reasonable travelling and accommodation expenses incurred in performing the duties of Judge Advocate General,

provided Mr. Justice Kelly does not accept any remuneration or emolument attaching to the office of Judge Advocate General.

In addition, the Bill will, out of abundance of caution, seek to provide that section 12 of the Supreme Court Act 1867-1975 will not apply to Mr. Justice Kelly in respect of his acceptance of the office of Judge Advocate General.

I understand that the Honourable Mr. Justice Kelly will be called upon to exercise the duties of Judge Advocate General only infrequently, and that his services as a judge of the Supreme Court will therefore be affected only very slightly.

I commend the Bill to the House.

Mr. WRIGHT (Rockhampton) (8.37 p.m.): The Opposition fully supports the measure. When one considers the prerequisites for such a position, the Honourable Mr. Justice Jack Lawrence Kelly certainly has them. Let us look first at the judicial role that he must play in reviewing decisions of courts martial and laying down guide-lines for such tribunals. He must be a man with considerable legal expertise. When one looks back on the distinguished legal career of “Judge” Kelly, as we in Central Queensland call him, one finds that he was admitted to the Queensland Bar in 1949; appointed a Queen's counsel in 1964; a member of the Law Faculty Board of the Queensland University from 1965 to 1970; Vice President of the Bar Association of Queensland 1968 to 1970; Judge of the Supreme Court of Papua New Guinea 1970

to 1972; and the Central Judge of the Supreme Court of Queensland since 1973. His legal qualifications and expertise therefore need no further elaboration.

When one considers the special nature of the position of Judge Advocate General of the Army, it becomes obvious that there is an advantage in having a military background. Again Mr. Justice Kelly has all these prerequisites. He has an excellent war record. He served at Milne Bay. He had the privilege, and no doubt the great honour, of raising the first Queensland University Regiment. He was the first company commander of that regiment. He was also the Commanding Officer of the 9th Battalion of the Moreton Regiment. As I know personally, he has maintained his interest in Army matters. Up till this point he has held the rank of colonel in the Australian Army Legal Corps in the C.M.F. He certainly has the qualifications required in all fields.

As the Minister has said, the Judge Advocate General holds a very important office. He can upset decisions of courts martial. We realise, of course, that there is a further appeal to the courts martial appeals tribunal but the Judge Advocate General has a determination to make. From his legal expertise, his ties with the Army and, in particular, his excellent record as a Queensland citizen, I feel that Mr. Justice Kelly is the ideal person to hold this office. If therefore we here can do anything to remove any encumbrances or any aspects of legislation that would prevent him from assuming this office, we must do so.

I should now like to make some comments of a general nature as I tend to do at the introductory stage of Bills dealing with the Supreme Court. Members do not readily get such opportunities. I therefore take my chance now to make a few comments. I refer very briefly to the matter of court delays. The Minister has made the point that Mr. Justice Kelly's role as Judge Advocate General will be irregular and that it will not interrupt his duties. I know that he would make sure that it did not happen.

But we need to look at the general delays in the Supreme Court at the moment because the waiting list is now from nine months to a year—sometimes up to four and five years—even when the litigants are willing to adjudicate. We need to do something about that. I accept the Ministers' remarks that by doing this we will not be creating further delays, but I would hope that we ensure that this does not happen, and that we look at the whole question of delays in the Supreme Court. I note, Mr. Deputy Speaker, that you are pointing out that I am getting close to the line, but I just wanted to raise that point. This concern has been expressed by many others in the community, and I ask that the Minister look at this question very carefully. It might be necessary to appoint more judges, but I will leave the solutions up to him.

Mr. LOWES (Brisbane) (8.41 p.m.): In reply to the last remarks made by the honourable member for Rockhampton, I point out that the delays which exist in the Central District are negligible. Whilst there might be some delays in the other districts, that does not apply to the Central District, and that in itself is an indication of the calibre of the man whose appointment to a very high position in the Australian Army we now wish to validate. I would endorse entirely what the honourable member for Rockhampton said when he referred to the considerable legal experience of His Honour Mr. Justice Kelly. It is with some trepidation and almost presumption on my part that I rise to endorse this appointment. I have known him well.

So often when we do rise to speak in praise of people it is in the circumstances of Hamlet, "Alas, poor Yorick, I knew him well." But here it is not posthumous, I am glad to say; it is a case of being able to endorse, and endorse with favour, the appointment of the Honourable Mr. Justice Kelly to a position which is well deserved. I had the good fortune of being able to brief Mr. Justice Kelly when he was at the Bar, and a former member of this House, the late Mr. Justice Hart. Again I say in the words of Hamlet, "I knew them both well", and it was a pleasure and an instruction to be involved with them both.

As the honourable member for Rockhampton and the Minister have said, Mr. Justice Kelly has had a distinguished career. He attended the Brisbane Boys Grammar School and then joined the Army in 1941 and served for four years. He served at Milne Bay, the place where the tide of the war in the Pacific turned. He served with the 9th Battalion whose motto is, "Never defeated, never retreated, first to meet the Jap". His Honour Mr. Justice Kelly was a fine soldier and a fine lawyer. He has served in both careers with great distinction, and for me it is a privilege to be able to endorse his appointment.

However, I wonder whether we are not acting with an over-abundance of caution when we come to pass these validating Acts. One might go back to 1888 when a judge of the Supreme Court of Queensland—

Mr. Houston interjected.

Mr. LOWES: The honourable member for Bulimba moaned. I wonder if he is moaning as a result of something that happened at Woolloongabba about 10 minutes ago. I wonder if he has had a report about the fate of an event to determine the relative speed of quadrupeds.

I wonder whether it is necessary for us to be passing validating Acts such as this. In 1888 an Act somewhat similar to this was passed for a judge of the Supreme Court who was a lieutenant-colonel of the Land Defence Forces and also a director of a certain insurance company. Even then such

great minds as Griffith and Macrossan argued the matter and had differing opinions as to whether it was necessary to pass legislation almost identical with that which the Minister is seeking to introduce tonight.

Again I look to other States for some guide-lines. I look to New South Wales and I see there that His Honour Judge Halsham, a judge in the Equity Court, is Judge Advocate General. As far as I know there is no enabling legislation in New South Wales. I look to Victoria and I see that Judge Rapke, a judge of the District Court, is also Judge Advocate General, but there is no enabling legislation. Even in our own State we see judges such as Judge Mylne and Judge Broad of the District Court who have been appointed to courts martial tribunals. No legislation has been passed to enable them to act. It becomes rather questionable whether we are acting out of an over-abundance of caution.

None of that takes away from my pleasure in supporting a Bill that will enable His Honour Mr. Justice Kelly to take up a position of high honour, an honour that reflects on the whole State of Queensland and on the Central District in particular. From the time of his appointment in 1973, Mr. Justice Kelly has carried out his duties as Central Judge with great care and attention; so much so, in fact, that, because of his care and his industry, there is now no backlog of cases. That is in sharp contrast with the position in Brisbane, where there are many more judges and where there is a delay of something like 12 months in the hearing of cases. Nothing gives me more pleasure than to endorse the legislation.

Mr. LANE (Merthyr) (8.48 p.m.): As a member of the Minister's committee charged with the responsibility of screening the legislation that is brought before the Assembly from the very busy Justice Department, I am very happy to support the legislation.

How proud we all ought to be, as representatives of the people of Queensland, that His Honour Mr. Justice Kelly has been appointed to this position, that he should carry the rank of major-general in the Army and have the deep and serious responsibility of exercising the legal expertise that is very necessary in courts martial. His appointment reflects great credit on the judiciary and the whole legal profession in this State.

Mr. Justice Kelly's background has been outlined in detail very well by the two members who have preceded me in the debate, so I will not go into that. I shall content myself with adding my congratulations on his appointment.

The role that he played in the very difficult years—some of the most difficult years—of the administration of the Liquor Act in this State showed him to be a man of flexibility who could steer a course through the most troublesome waters. To be called upon to carry out two tasks of this magnitude

is a great honour. I think he will be called upon only infrequently to exercise his role as Judge Advocate General. His work in that sphere will not unduly interfere with his duties on the Supreme Court bench.

I share some of the reservations expressed by my colleague the honourable member for Brisbane about the constant stream of enabling legislation that passes through this House in respect to certain individuals. I wonder whether it is time that we asked the Law Reform Commission to conduct an investigation into the necessity to pass individual Bills concerning offices of profit under the Crown. Only recently we passed legislation in the local government area relating to a member of this House who was also a member of a local government advisory committee.

As pleasing as it is on this occasion, it is a shame that Parliament is called upon to debate legislation to enable individuals to carry out two tasks on behalf of the community and to receive remuneration for doing so.

The previous speaker enumerated a number of persons and positions that could be affected by the passing of legislation of a general type rather than individual Bills relating to individual persons. I have no doubt that many other positions have not seen the light of day. It would be a shame to see a legal challenge to the right of a person to serve the community in two roles and to receive emolument from the Crown for doing so. Those comments do not detract from the pride that I share with every member of this House in the knowledge that His Honour Mr. Justice Kelly has the ability, experience and expertise to serve his community and country in more than one public role.

Mr. LINDSAY (Everton) (8.53 p.m.): It is indeed pleasing to see an old soldier with a distinguished record appointed to the very senior and important position of Judge Advocate General of the Australian Military Forces.

Jack Lawrence Kelly was one of those heroic Australians who participated in the operations at Milne Bay. Perhaps it is not fully realised by all honourable members that it was the Australians at Milne Bay who first stemmed the tide of the Japanese advance. Prior to the assault on Milne Bay, the Japanese had never been beaten. It was men like Jack Kelly and other dedicated Australians, most of whom, incidentally, were amateur soldiers, who did that. There were very few professionals among them. They had the esprit de corps and duty-first attitude that the Australians will always produce when under pressure.

In this debate we have heard what a tremendous person Jack Lawrence Kelly is. Whilst it is pleasing that a man of his stature and experience is going to the Australian Army, it is also correct to say that

he will indeed be lucky to be Judge Advocate General of the Australian Army, as distinct from any other army in the world. Since federation our Army has had the privilege of fighting against those who represent the extremes of both the Right (in terms of Hitler and Mussolini) and the Left (in terms of the more recent confrontations in South East Asia). On behalf of the silent majority in my electorate and throughout Queensland, I take advantage of this opportunity to express deep appreciation to all those who serve in the Defence Forces of our country.

Recently we witnessed an interesting exercise in salesmanship indulged in by a discredited, aged, womanising former Minister of the relatively short-lived Australian Labor Party Cabinet (a man named Cairns; I forget his Christian name, but that does not matter) who was promoting some lousy paperback book that he and a woman—whatever her name is—are trying to press on the Australian people. In an attempt to sell this book, this man Cairns—or whatever his name is—made a very insidious attack on the Australian Army and the men who served in it in Vietnam. I express my very deep appreciation and loyalty towards, and support of, all Australians who fought in Vietnam. If ever an overseas force behaved in an exemplary manner in standing by the concept of God, Queen and country, it was the Australian force in Vietnam. It makes my blood boil when people like Cairns and the funny little woman he seems to run around with attempt to denigrate such a fine force.

Perhaps I have said enough about that. The Defence Forces of this country at the moment are wondering what their role is. Since federation the Australian Defence Forces have played a positive role but, at the moment, it appears that there is no apparent threat to this country. I can only say history proves that no country—and particularly no country that is as well endowed with natural resources, environment and other very attractive assets as Australia—can ever hope to live in the idyllic situation that we are experiencing. Australians, individually and collectively, depend on the men who are prepared to serve and train in the Defence Forces of our country. The men in the forces should realise that the great mass of the citizens support them totally. As Queenslanders, we are particularly pleased to produce an old soldier—a well-experienced soldier—who, in his position of Judge Advocate General, will understand the problems of the Digger. I wish the new Judge Advocate General and the Australian Army well. Both have a lot to commend them.

Hon. W. D. LICKISS (Mt. Coot-tha—Minister for Justice and Attorney-General) (9 p.m.), in reply: I thank honourable members for their contributions and the respect

which they have paid to this very fine Queensland, Jack Lawrence Kelly of the Supreme Court of Queensland.

Needless to say, when a measure such as this is discussed ancillary matters are likely to be raised. The honourable member for Rockhampton rightly drew attention to the situation of the lists in Rockhampton and said that there was not much of a backlog of cases there. As an appointment such as this will take the presiding judge away from Rockhampton from time to time, I assumed that the backlog of cases would probably be one of the matters raised this evening. It is interesting to note the situation at the Supreme Court at Rockhampton.

Mr. Wright: It is very good.

Mr. LICKISS: Yes, very good indeed. For the record, I will state it.

The Registrar of the Supreme Court at Brisbane has obtained the following information from the Registrar of the Supreme Court at Rockhampton on the position of work at the Rockhampton office as at 10 September 1976. There is no delay at all in criminal proceedings. There will be 14 civil cases heard in the November sittings, and it is expected that 20 civil cases will be stood over. The last of these cases was filed in the Rockhampton Court on 2 September. In Brisbane there is a delay of nine to 12 months in civil cases coming to trial. So it can be seen that Mr. Justice Kelly has conducted his court in Rockhampton in such a way that his work is up to date.

A number of other points have been raised. One mentioned by my colleague the honourable member for Brisbane was touched on by the honourable member for Merthyr: that is, whether an Act such as this is really necessary or whether we are in fact being too cautious. The advice that we received on this point stemmed from none other than Sir Arnold Bennett, Q.C. I would think that, as we are acting on his advice, we are certainly doing the right thing by introducing this Bill.

Another matter raised by the honourable member for Merthyr was his concern—and I think the concern of all honourable members—about an office of profit under the Crown. I am having a look at this matter at the moment and will be forwarding it to the Law Reform Commission for comment and advice. When I receive that advice, I can assure honourable members that the matters will be looked at again to see what action the Government might propose in relation to it.

I thank honourable members for the way in which they have received this motion and I now commend it to the House.

Motion (Mr. Lickiss) agreed to.

FIRST READING

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

**SUPREME COURT LIBRARY ACT
AMENDMENT BILL**

INITIATION IN COMMITTEE

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

Hon. W. D. LICKISS (Mt. Coot-tha—Minister for Justice and Attorney-General) (9.5 p.m.): I move—

“That a Bill be introduced to amend the Supreme Court Library Act 1968-1973 in certain particulars.”

The Supreme Court Library Act 1968-1973 provides for the constitution and incorporation of a committee to maintain and control the affairs and concerns of the Supreme Court libraries at Brisbane, Rockhampton and Townsville.

The committee consists of the Chief Justice or a Supreme Court judge appointed by him, the Chairman of District Courts or a District Court judge appointed by him, the Chief Stipendiary Magistrate or a stipendiary magistrate appointed by him and four practising barristers and four practising solicitors. The Attorney-General is an ex officio member of the committee.

Under the Act, the committee has the management and control of the libraries and in so doing it is required to perform all such acts and things as it considers necessary, expedient or desirable for the benefit, preservation, maintenance, upkeep, expansion, improvement and housing of the libraries.

The finances of the committee comprise admission and examination fees received by the Barristers Board and the Solicitors Board and also grants contributed by the Queensland Government from time to time. In the past few years the Queensland Government has made substantial contributions towards the expenses incurred by the committee in carrying out its functions.

Under section 16 of the Act the committee is required to submit to the Chief Justice and to the Attorney-General not later than 31 March in each year a report of its proceedings and a statement of income and expenditure and a balance sheet for the year expiring on 31 December last preceding.

Discussions with the Treasury Department in relation to submissions by the committee for financial contributions have indicated that difficulties and complications are being unnecessarily experienced from time to time because the financial accounts of the committee relate to the year ending 31 December and it is considered that the reports and statements of the committee should relate to the year expiring on 30 June rather than 31 December as at present to enable its request for financial assistance to be considered in conjunction with other departmental budgetary requirements.

The Bill seeks to amend section 16 of the Supreme Court Library Act to provide—

- (a) firstly, that the committee submit annual reports and financial statements to the Chief Justice and to the Attorney-General not later than 30 September in the year 1978 and for each year subsequent to 1978.
- (b) secondly, that the annual reports and financial statements relate to the year expiring on 30 June last preceding.
- (c) thirdly, that in respect of the transitional period immediately following the commencement of the amending Bill on 1 April 1977 the annual reports and financial statements be submitted to the Chief Justice and to the Attorney-General not later than 30 September 1977 in respect of the period of six months commencing on 1 January 1977 and expiring on 30 June 1977.

I commend the Bill to the Committee.

Mr. WRIGHT (Rockhampton) (9.8 p.m.): The measure is a technical one and has the support of the Opposition. It is only right that we should streamline the procedures by altering, for auditing purposes, from the calendar year January to December to the fiscal year July to June.

Personally I have used the Supreme Court Library in Rockhampton and must admit that the service is very good. I have also heard very complimentary remarks from persons in the Brisbane area who have used the Supreme Court Library here.

I have also heard some criticisms of the general conditions in Brisbane. I have not yet had the privilege of going to that library, but I am told on good authority that the facilities are not exactly what one would expect. I have been told that a person had to wade his way through the plumbing. If he could do that, he would have access to the material wanted. Possibly some of the practising solicitors, such as the honourable member for Brisbane, could elucidate that issue. Apparently there is not the ready access that is required.

I am aware that moves are afoot to shift the Supreme Court Library to other premises. I have not been told where it will be, but no doubt it will be in the proposed Supreme Court-District Court complex that will finally arise in this city.

The Supreme Court Library is of special significance to students and to the practising members of the legal profession. We need to ensure that those people have ready access to this library and that the information they want is readily available. As we consider the idea of changing the library site, it is important to consider also all of the aspects of libraries generally. I am told that the existing premises are unsuitable and that that is the reason for the change. If there is to be ready access to books, journals and reports in the library, we have to ensure that

the new one is of adequate size and that space is set aside for future needs. The Minister will no doubt look carefully at that aspect of the matter. The library is, of course, funded from barristers and solicitors' fees.

The Bill is of a technical nature, but it provides an opportunity for members to raise complaints that have been made to them in the past. It has been suggested that consideration might also be given to some type of microfilming system so that books that are frequently used are available on request.

The Opposition supports the measure and hopes that the Minister will look very carefully at any new plans for re-siting of the library.

Mr. LOWES (Brisbane) (9.11 p.m.): Contrary to what has been said by the honourable member for Rockhampton, the reason for the Bill is not, as I understand the position, the need for further space in the present Supreme Court Library. I support the Bill because there is a need to streamline procedures and to bring the accounting in the library within the usual period of 1 July to 30 June the following year. That is the whole purpose of the Bill. There is a need to consider legal research and reform in libraries, but those are matters beyond the concept of the Bill. There is a wide field open for legal research with the use of computers and library banks, but that does not come within the scope of the Bill. Its purpose is simply to arrange for the accounting of the Supreme Court Library Fund which is supported by barristers and solicitors. It is not maintained by the taxpayers, as so many funds are. The Bill simply deals with a matter of economic husbandry. I support the measure.

Motion (Mr. Lickiss) agreed to.

Resolution reported.

FIRST READING

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

LAW REFORM COMMISSION ACT AMENDMENT BILL

INITIATION IN COMMITTEE

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

Hon. W. D. LICKISS (Mt. Coot-tha—Minister for Justice and Attorney-General) (9.15 p.m.), I move—

“That a Bill be introduced to amend the Law Reform Commission Act 1968-1972 in certain particulars.”

The Law Reform Commission Act presently provides that a full-time member of the commission shall receive such salary and such allowances for reasonable travelling expenses as the Governor in Council determines. It makes no provision for superannuation cover. A full-time member of the

commission, other than the holder of a judicial office, cannot be appointed for a term in excess of three years. The only full-time member, Dr. Morris, was appointed for a term of two years from 1 June 1973 and reappointed for a term of three years from 1 June 1975.

At the time of his initial appointment Dr. Morris was Reader in Law at the Queensland University Law School, in which position he had the benefit of superannuation cover. Before his reappointment to the commission he resigned from his position at the university thus losing that cover. The salary payable to a full-time member has been determined by the Governor in Council at an amount equivalent to the salary payable from time to time to a judge of District Courts other than the judge designated as Chairman of District Courts. A full-time member does not, however, receive the benefit of a non-contributory pension as the judges do.

The bulk of the work of the Law Reform Commission is produced by Dr. Morris as the only full-time member of the commission and is of a high quality. To attract and retain as full-time members of the commission men of the calibre of Dr. Morris it is desirable that they receive substantial salaries and benefits. In the present instance as I have mentioned Dr. Morris had to leave the superannuation scheme under which he was covered and, although now receiving the salary of a judge of District Courts, does not receive benefits equivalent to such a judge's pension.

The sole purpose of the Bill is to amend the Law Reform Commission Act to enable a full-time member of the commission to receive such provision for superannuation benefits as is approved by the Governor in Council. Honourable members cannot but agree that the Bill is long overdue and warrants full support. I commend the Bill to the Committee.

Mr. WRIGHT (Rockhampton) (9.18 p.m.): The Opposition supports the measure before the Committee. It is obvious that we would support any measure that is introduced into this Assembly to improve the working conditions of any person, and I fail to see why we should not have a superannuation scheme for a full-time member of the Law Reform Commission. However, it is a pity that we have only one full-time member. Whilst we can go back and have a look at the various reports tabled in this House as to the excellent—

Mr. Lindsay interjected.

Mr. WRIGHT: The honourable member never says anything unless it is a stupid remark. The Law Reform Commission has done a very good job in carrying out its functions under the Act. Members who have been here for some time will know that it has recommended the repeal of all types of obsolete and unnecessary enactments. It has

looked to the elimination of some anomalies and it has even looked at the codification of the law. But it is also the function of the Law Reform Commission to receive and consider proposals for the reform of the law which might be referred to it, so I take this opportunity to refer to some matters that I believe are vital to the State of Queensland.

The first arises out of the problems we are having in this State with \$2 companies. It is time that the Law Reform Commission looked very, very carefully at this. The honourable member for Bundaberg, other members of the Opposition, and even Government members have risen in this Assembly time and time again and talked about these fellows who set themselves up with a capital of \$2. They go around and give all sorts of 20-year guarantees on products, but no action can be taken when something goes wrong with the product they have sold.

Recently the honourable member for Archerfield raised the problems relating to swimming pools. We have these fellows racing round giving all sorts of services, yet their liability is virtually nil because of the lack of capital behind them. So this is surely an area of corporate law that must be investigated by the Law Reform Commission.

It is suggested that we need a fund or some type of endowment system to ensure that, when a company is set up, it is set up by people who are going to stay in business but above all people who are going to service the products they sell.

Home-cladding is probably the best example. A case came to my attention recently in which a product was sold with a 20-year warranty. There is no warranty on the application of that product and the chance of proving that it is faulty is nil. The manufacturer says, "It is not us; it is the chap who applied it. Have a go against him." The home owner finds that the man went out of business three years ago, so nothing can be done about it. It is a matter of concern that the Law Reform Commission should consider urgently.

The problem of computer banks and credit-rating organisations has been raised before, but I raise it again. It is being tackled in other States, but we have yet to come to grips with it in Queensland. It also must be considered very carefully.

Members of the Opposition, and, for that matter, members of the Government, can stand up in this Chamber time and time again and put forward suggestions, but there is legal expertise on the commission. At least one full-time member of the commission has the ability to delve into this question very carefully. He has the ability to compare Queensland legislation with legislation in other parts of Australia and other countries of the Commonwealth and bring down a recommendation to the Minister that will overcome the problems.

Consumer issues come up time and time again. The Door to Door (Sales) Act is one that surely should be looked at very closely. Another aspect of consumerism is the difficulty that people have in enforcing warranties. I suggest that this also should be considered very carefully.

Probably the solution is to appoint more than one full-time member of the commission. I have often wondered what some of the part-time members do. I know that they receive very reasonable remuneration; but I believe, from information given to me, that one person in particular, who was once a member of this Assembly, certainly does not earn his money. As I said, it is a matter that needs to be looked at very carefully.

The Law Reform Commission plays a very vital role in keeping in touch with the legal needs of the State. It has the very important task of keeping our legislation updated and in tune with community needs. Therefore, I suggest to the Minister that he might pass on to the commission my remarks, especially those relating to corporate law and the \$2 companies. It is an issue that we must come to grips with, and I ask him to consider it carefully.

Mr. LOWES (Brisbane) (9.22 p.m.): The honourable member for Rockhampton confused the purposes of this Act with consumerism and \$2 companies. It has nothing whatsoever to do with that. The purpose of this Bill—

Mr. WRIGHT: I rise to a point of order. The honourable member said that the Act has nothing to do with these matters.

Mr. LOWES: The Bill.

Mr. WRIGHT: No, the honourable member said "Act". That is the word that will be taken down by "Hansard". I ask him to refer to page 3 of the Act, section 10—Functions and Duties of Commission.

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

Mr. LOWES: I referred to the Bill, Mr. Hewitt.

Mr. Wright: You said "Act".

Mr. LOWES: The purpose of the Bill is to ensure the security of employment of Dr. Morris. Dr. Morris is not some Ph.D. of the rat-bag-fringe element, which is an element well known to the honourable member for Rockhampton—people who demonstrate in King George Square, and people of that type. Dr. Morris is a Bachelor of Medicine and Bachelor of Surgery, and he has devoted himself to legal research. I would say without any fear of contradiction that he is the best person we could possibly have found to devote himself to the object of legal research. That is what he does, and he does it with a great deal of ability.

Mr. Wright: What is your comment on the part-time members and their contribution?

Mr. LOWES: The honourable member asks for my comment on the part-time members of the Law Reform Commission. Again that has nothing to do with the motion before the Committee. Honourable members are considering the introduction of a Bill that has the purpose of ensuring the continuity and security of employment of Dr. Morris. The best form of security we can give him is three years' tenure. I regret most that we can give him nothing more than that.

Mr. Wright: Your term is up in about 12 months.

Mr. LOWES: The honourable member wants to bring politics into the matter and talk about members of this Parliament and how long they may be here. Again that has nothing to do with the Bill. He wishes to draw red herrings, as he does so frequently—

Mr. Moore: He is red.

Mr. LOWES: The honourable member for Windsor talks about him being red. The only person I saw go down as if to open the gates of Parliament House to the people who were waving the Red Flag with the hammer and sickle on it was the honourable member for Rockhampton. But like the interjection, that has nothing to do with the Bill.

Here we are considering a Bill that will give security to a man who has given a great deal of his time and expertise to legal research. What we are trying to do is give him those benefits that he would ordinarily expect to receive if appointed to a position, for example, at the university. That is the very least we might do.

I can see no reason why there should be any opposition to the Bill, or, for that matter, any red herrings drawn across the trail by members of the Opposition. I wholeheartedly support the Bill and I am sure that all other Government members do likewise.

Hon. W. D. LICKISS (Mt. Coot-tha—Minister for Justice and Attorney-General) (9.26 p.m.), in reply: Again I thank honourable members for their contributions. The honourable member for Brisbane was right on line when he enunciated the reasons for the Bill and paid tribute to Dr. John Morris, a very fine person who is well known to me.

The honourable member for Rockhampton said a great deal about passing on to the Law Reform Commission matters relating to company law and so on. I would advise him that the Interstate Corporate Affairs Commission is currently examining this matter with a view to strengthening the company law on a uniform basis throughout Australia. I have the pleasure of being a member of the ministerial part of that commission and our Commissioner for Corporate Affairs and some of his officers are on it at

officer level. I am sure that the honourable member for Rockhampton will find that a lot of good will stem from its deliberations.

It seems that the Bill has been well accepted by the Committee, and I commend the motion.

Motion (Mr. Lickiss) agreed to.

Resolution reported.

FIRST READING

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

UNITED GRAND LODGE OF ANTIENT FREE AND ACCEPTED MASONS OF QUEENSLAND TRUSTEES ACT AMENDMENT BILL

INTRODUCTION

Hon. W. D. LICKISS (Mt. Coot-tha—Minister for Justice and Attorney-General) (9.29 p.m.): I move—

“That a Bill be introduced to amend the United Grand Lodge of Antient Free and Accepted Masons of Queensland Trustees Act of 1942 in certain particulars.”

Honourable members are fairly familiar with many worthy organisations which provide a valuable community service in the care and treatment of the aged, the needy and sick.

This Bill is concerned with one of those organisations—the United Grand Lodge of Antient Free and Accepted Masons of Queensland.

In 1942 this Parliament passed an Act to provide for the holding of and succession to property to the Masonic Lodge in trust. More particularly under section 3 of that Act provision was made for all real and personal property of the United Grand Lodge to be vested in trustees appointed by the United Grand Lodge in accordance with its constitution and laws.

The property of the United Grand Lodge held by trustees and applied for charitable and benevolent purposes is administered by the Board of Benevolence and of Aged Masons, Widows and Orphans' Fund. Honourable members will be aware of the most well-known masonic charitable and benevolent activity administered by this board—the Masonic Homes at Sandgate. These homes provide services, comforts and facilities of a high standard to the aged, the needy and the sick.

The United Grand Lodge considers it desirable for administration and financial reasons that the activities of the Board of Benevolence and of Aged Masons, Widows and Orphans' Fund should be separate from the other activities of the United Grand Lodge and that a corporation be formed under the Religious, Education and Charitable Institutions Acts, 1861 to 1967, to administer the property applied for charitable and benevolent purposes.

The Bill seeks to provide—

Firstly, that upon the incorporation of the Board of Benevolence and of Aged Masons, Widows and Orphans' Fund all real and personal property held by the trustees of the United Grand Lodge of Antient Free and Accepted Masons of Queensland for a charitable or benevolent purpose and administered by the board shall be divested from the trustees and vest in the board;

Secondly, that all real and personal property acquired by the Grand Lodge for a charitable or benevolent purpose after incorporation of the board will vest in the board; and

Thirdly, that the vesting of real and personal property in the board upon its incorporation will not prejudice any mortgage, charge, encumbrance, lien or other transaction to which the property is subject immediately before such vesting.

Since the transfer of property from the trustees to the board is a nominal one only, the Bill will enable this transfer to be effected without payment of duties which would normally be imposed by the State.

I believe the objectives of this Bill are worthy ones and deserve to receive the support of honourable members. I commend the Bill to the House.

Mr. WRIGHT (Rockhampton) (9.33 p.m.): There is little need for me to elaborate—

A Government Member: Oh, no!

Mr. WRIGHT: I take that interjection; this is all the honourable member ever says. A story is going around that one time he got up and asked somebody to close a window.

The Minister elaborated on the very important community work done by the lodge in our society in caring for orphans and the aged. I support it completely just as I believe this House would support any measure to help the lodge in its operations.

In the Rockhampton area some difficulties have been experienced in setting up an old people's home, mainly because donations to the lodge are not taxation deductions. The Minister may be able to tell us if this legislation will assist—whether incorporation will mean that donations will be tax deductions for donors. The measure incorporates many benefits. I see no detrimental aspects in it, and therefore I support it completely.

Hon. W. D. LICKISS (Mt. Coot-tha—Minister for Justice and Attorney-General) (9.34 p.m.), in reply: I thank the honourable member for Rockhampton for his contribution. As taxation is a Commonwealth matter he will have to seek his answer elsewhere.

Motion (Mr. Lickiss) agreed to.

FIRST READING

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

The House adjourned at 9.35 p.m.