

Queensland



Parliamentary Debates  
[Hansard]

**Legislative Assembly**

**THURSDAY, 30 SEPTEMBER 1976**

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

**MINING ACT AMENDMENT BILL**  
(No. 2)

Assent reported by Mr. Speaker.

**PAPERS**

The following papers were laid on the table:—

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

Orders in Council under—

Mining Act 1968–1976.

The Petroleum Acts, 1923 to 1967.

Fisheries Act 1957–1974.

Regulations under the Mining Act 1968–1976.

**PETITION**

**AMENDMENT OF LIQUOR ACT**

Mr. **KATTER** (Flinders) presented a petition from 55 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.

**REPORT OF COMMITTEE OF  
SUBORDINATE LEGISLATION**

Mr. **ARMSTRONG** (Mulgrave): I lay on the table of the House the first report of the Committee of Subordinate Legislation and I move that it be printed.

*Whereupon the document was laid on the table, and ordered to be printed.*

**QUESTIONS UPON NOTICE**

1. **HOSPITAL BEDS AVAILABLE**

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

How many public, intermediate and private beds are available in each (a) public hospital in (i) the metropolitan area and (ii) country areas and (b) private hospital conducted by (i) other than religious or charitable organisations and (ii) religious or charitable organisations?

*Answer:—*

There are 134 public hospitals in Queensland controlled by hospitals boards, plus a large number of private hospitals conducted by religious and/or charitable organisations and private enterprise.

I do not propose to answer in detail the questions asked by the honourable member but will undertake to furnish him by letter with the information sought as soon as possible.

2. **ELECTRIC RAILCARS FOR BRISBANE**

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

(1) Are tenders to close shortly for electric railcars for the Brisbane suburban network?

(2) Were the tenders to be let on 1 May 1977 and the delivery date for the first three cars set for 1 May 1979?

(3) Has the Railway Department recently advised that it wants accelerated delivery of a three-car set by 31 October 1977?

(4) Will there now be two tenders or two prices required, one for the bulk order and the other for the three-car set?

(5) Is he aware of suggestions that no manufacturer in Australia could supply the three-car set by the new set date?

(6) Have some manufacturers been told that there could be as much as nine or twelve months' delay for steel?

(7) Would the traction motors for the power unit have to be imported?

(8) Will overhead wires, side-track substations and booster units be installed so that the cars will be able to be used on 31 October 1977?

(9) If not, when will the cars be required for use and when is the projected date of the first electric rail service in Brisbane?

*Answer:—*

(1 to 9) Tenders closing on 30 November 1976 were invited for the manufacture, supply and delivery of 39 electric multiple-unit vehicles for operation on the Brisbane suburban system. The department's requirements were clearly set out in the tender documents, which included provision for a number of options, one of which was for the submission of a price for the delivery of the first set of three cars by 31 October 1977.

It would, I believe, be improper for me, while tenders remain open, to engage in public comment on aspects which have

a bearing on the preparation of a tender, but if clarification of any point is desired by an individual prospective tenderer, it would be a matter for that prospective tenderer to make contact with the Railway Department.

### 3. MARINA GARDENS DEVELOPMENT

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

(1) Is he aware of growing dissent on the Sunshine Coast over what is called unexplained reversals of Cabinet decisions in relation to canal developments and especially the Marina Gardens development?

(2) Why did Cabinet, early in July, reverse its decision of 22 June and support the project in the face of widespread local-resident opposition?

(3) Should matters of public interest affecting large numbers of people be decided in secret?

(4) What studies and environmental impact statements were produced covering this area or this particular project, what were the recommendations and will the Government make the studies and impact statements public?

*Answer:—*

(1 to 4) Without canvassing the prospects of such a miracle ever taking place, I understand it is an aspiration of the Honourable the Leader of the Opposition to one day become a Minister of the Crown. Should this unlikely and improbable event ever occur he will very quickly appreciate one of the basic premises of the Cabinet system of government, namely, that the discussions and deliberations of Cabinet are confidential and not matters concerning which Ministers are under any obligation to answer parliamentary questions of this nature.

However, to satisfy his curiosity on this occasion, I can tell him that the proposed development at the Maroochy River Marina Gardens site is now dependent on its being approved by the Maroochy Shire Council. In its deliberations the Council will, no doubt, take into account all relevant matters affecting the public interest in that area.

### 4. BIAS IN "TELEGRAPH" REPORT ON KILLER

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

Has his attention been drawn to a front page article in the "Telegraph" newspaper of 23 September wherein the killer and maimer of people in Brisbane on 22 September was paraded and depicted as a wonderful fellow, a model of all the manly virtues, a "Mummy's darling" and so on in a definite and calculated attempt to influence people and potential jurors in his favour when he is brought to trial? If so, does this not constitute grievous and blatant contempt of court and will action be taken against the newspaper concerned?

*Answer:—*

My attention has been directed to the particular article. It is sympathetically inclined to the person concerned, but it is not considered that it constitutes contempt of court and therefore in the circumstances no action is warranted.

### QUESTIONS WITHOUT NOTICE

#### MEDIBANK LEVY PROTESTS BY STATE MINISTER FOR HEALTH

**Mr. MELLOY:** I ask the Minister for Health: Will he table in the House today all details of protests lodged by the Queensland State Government with the Federal Government against the Medibank levy?

**Dr. EDWARDS:** I will not table documents concerning confidential discussions that I have had with the Commonwealth Minister for Health.

#### DEVELOPMENT OF COAL RESERVES, BOWEN BASIN

**Mr. MELLOY:** I ask the Premier: What were the reasons for the failure of his negotiations with the British National Coal Board on the supply of coal from Queensland? Will the German Creek reserves in the Bowen Basin be developed in the near future in the light of the failure of those negotiations?

**Mr. BJELKE-PETERSEN:** I will not say that the honourable member is ignorant of the facts: I will say that he is unaware

of the situation. But I can inform the honourable member that the Government has called tenders for the development of this particular area. Last week the top executives of that board met the Minister for Mines and Energy and me. Like many other companies they are going to tender for the development of this area. I believe there have been some 40 different inquiries since the Government indicated that this area would be available for development. These people are still vitally interested, and perhaps at some later date we can inform the honourable member of their success or otherwise in tendering for this project.

PACKAGE TOUR OF SOUTH AFRICA BY AUSTRALIAN POLICEMEN

**Mr. MELLOY:** In asking a question of the Premier, I refer to today's article in "The Courier-Mail" which reported that the Prime Minister had written to the State Premiers concerning a package tour of South Africa by police officers. Are any Queensland police involved and, if so, what action has the Government taken following the Prime Ministers's request?

**Mr. BJELKE-PETERSEN:** I did receive a letter yesterday from the Prime Minister on this subject, suggesting that if necessary I should take some action in relation to anybody who might want to go to South Africa. I want to say here and now that there is no intention on my part of stopping anybody from going anywhere, whether it be to South Africa, Cuba, Russia or Red China. People are free to do whatever they want to do, and this Government has no intention whatsoever of trying to interfere with the rights of the individual.

RESTRICTION OF TRAVEL MOVEMENTS OF OFF-DUTY POLICEMEN

**Mr. LANE:** I ask the Deputy Premier and Treasurer: Did he see the report in this morning's "Courier-Mail" indicating that the Prime Minister had called on all State Governments to restrict the right of off-duty policemen and their wives to travel overseas on a selective basis in respect of their destination? Does he see this move as an infringement of the civil liberties of these citizens of Queensland and part of the increasing unhealthy practice of police-bashing, and would he lend his support to any such proposal?

**Mr. KNOX:** I support the remarks made by the Premier in answer to a question by the honourable member for Nudgee. I am surprised that anybody would suggest such a thing. It certainly is unusual to ask Governments to interfere with the movements of private citizens. This is something we do not hear very often and it certainly is not condoned by this Government. These people are quite free to go to any country in the world they are permitted to enter.

ELECTRICITY BILL; PREFERENCE FOR LOCAL AND AUSTRALIAN-MADE GOODS IN TENDERS

**Mr. LESTER:** I ask the Minister for Mines and Energy: Has his attention been drawn to the statement by the Leader of the Opposition that the Electricity Bill does not allow any preference for local and Australian-made goods for which tenders are called?

**Mr. CAMM:** My attention was drawn to the fact that, on the 7.45 a.m. news on Wednesday, 29 September, the Leader of the Opposition was quoted as saying that the Electricity Bill made no provision for preference for local and Australian-made goods for which tenders are called.

It has been the practice of the electricity supply industry for many years to apply the preference provisions laid down by the State Treasury for works financed from State loan funds to all contract evaluations. These conditions presently provide for preference against purchases from sources external to Australia on the following scale—

For local manufacture ..	15 per cent
For manufacture within the State .. .. .	10 per cent
For manufacture within Australia .. .. .	5 per cent

Those provisions are applied during the evaluation of tenders for the supply of materials or the carrying out of works that are to be let to contract. The commission has made it, and will continue to make it, a requirement in approving the specifications of the authorities that the Treasury scale of preference be specifically included in the tender documents.

As to the comment that no provision is made for this practice in the electricity supply legislation presently before the House, it should be appreciated that under clause 443

of the Bill dealing with the making of regulations, there is a provision that the Governor in Council may make regulations not inconsistent with the Act for or with respect to—

“(t) providing for and regulating the manner of and the conditions for the calling of tenders and quotations and the awarding of contracts.”

If ever a regulation is required to make the application of Treasury loan conditions binding on an electric authority—and it never has been so necessary in the past—then this regulating power will be perfectly adequate for the purpose.

#### PARTHENIUM WEED

**Mr. LESTER:** I ask the Minister for Lands, Forestry, National Parks and Wildlife Service: In view of the recent upsurge in the growth of parthenium weed since the recent heavy rains and warmer weather, could the Government make more money available for its eradication and take further action to educate people in Queensland who do not seem to know what the weed is or are not conversant with the ramifications of the disaster it could cause, particularly if heavy rain falls during the coming Christmas period?

**Mr. TOMKINS:** First, I thank the honourable member for Belyando for reporting the growth of parthenium weed. It shows how much interest he takes in people on the land, and it is good to see.

The Central Queensland Parthenium Committee is actually in the honourable member's area right now. It had a meeting on Wednesday. Mr. Leahy, who is chairman of the co-ordinating board, and Mr. Haseler of the Alan Fletcher Research Station attended that meeting. The Government has already made funds available for that purpose. The sum of \$150,000 has been provided for the express purpose of cleaning up parthenium.

I agree 100 per cent with the honourable member that parthenium poses one of the most serious threats to country areas that can be imagined. It can spread very rapidly and apparently it will grow in all types of country. I again appeal to persons who think they may have parthenium on their properties to report it to my department. Many people do not realise they have it on

their properties, despite the fact that a photograph of three good-looking fellows surrounded by parthenium has been sent all over Queensland. Many people still cannot identify it. The matter is well in hand; but I would like people to report the existence of parthenium on their properties if they think they have it.

#### INTERSTATE PRIVATE HEALTH INSURANCE FUNDS

**Mr. SIMPSON:** I ask the Minister for Health: As joining a private health fund is an alternative to Medibank, and the only means of covering extra medical benefits, are there any restrictions on Queenslanders joining interstate private health insurance funds, as some of those funds offer savings of \$100 a year?

**Dr. EDWARDS:** Of course, this is a matter which really comes under the Commonwealth Department of Health through my colleague Mr. Hunt. From my reading of the matter I know of no legislative restriction. I am informed that it would be a matter for the particular organisation. If a Queenslanders wanted to join a private medical benefits fund in another State, he would have to apply to that organisation and the decision would be one for that organisation in that other State.

#### VISIT BY LEADER OF THE OPPOSITION TO WONDAL BRANCH OF QUEENSLAND DAIRYMEN'S ORGANISATION

**Dr. LOCKWOOD:** I ask the Minister for Primary Industries: Is he aware of the proposed visit of Mr. Burns, Leader of the Opposition, to the Wondal branch of the Queensland Dairymen's Organisation? Is he aware that the present crisis facing the dairying industry is brought about by the levies associated with the introduction of the Australian Dairy Corporation, and that this is the work of dedicated socialists? Can the Minister see how Mr. Burns of the Australian Labor Party can win support for his party when the Labor Party, while in Federal Government, did so much to destroy the dairy industry?

**Mr. SULLIVAN:** The Leader of the Opposition has not advised me that he is going to a meeting in Wondal. I hope he would have the courtesy to advise the Premier, who happens to be the member for the area. I did hear it on the news this morning or read it in the newspaper. For

the life of me I cannot see what the Leader of the Opposition will do to assist the dairymen in the Wondai area. Probably he has never milked a cow in his life, but I will not get personal about that. I do not think the dairy farmers, graziers or any other farmers would be sucked in by the grandstanding of the Leader of the Opposition in running around the countryside telling them about all their ills. They are well aware of their ills because they are a sort of rub-off from the three years of maladministration by the Labor Government in Canberra.

**A Government Member:** The same party.

**Mr. SULLIVAN:** The same party—his colleagues.

I have no doubt that the Leader of the Opposition will be told at Wondai that the worst thing that happened to the dairy industry, or for that matter any other primary industry, was the three years of office of the infamous Whitlam Government.

**Mr. Burns** interjected.

**Mr. SULLIVAN:** I am glad the Leader of the Opposition is going there.

**Opposition Members** interjected.

**Mr. SPEAKER:** Order! I have told the House repeatedly that persistent interjections while a Minister is on his feet will not be tolerated. I ask all honourable members for their co-operation. If they do not co-operate I shall have to deal with them. If honourable members do not behave themselves, some of them will be going home a lot earlier than usual.

**Mr. SULLIVAN:** Finally, I understand that the Leader of the Opposition wrote a letter addressed to the Secretary, Queensland Dairymen's Organisation, Isisford Branch, but as there is no branch of the Q.D.O. there the letter was returned to sender.

#### AMBULANCE SUBCENTRE, TARA

**Mr. NEAL:** I ask the Minister for Health: When can a decision be expected on the establishment of an ambulance subcentre in Tara?

**Dr. EDWARDS:** I am well aware of the honourable member's very keen interest in his electorate and especially in the establishment of an ambulance subcentre at Tara. He has made repeated representations to me on this matter. Discussions have been held with the State council, and I am hopeful

that within the next few days I will be able to present to the Executive Council for its consideration a proposal setting out new boundaries in the area. I assure the people there that the honourable member has been most outstanding and diligent in his representations on their behalf, just as he has been in relation to the Dirranbandi Hospital.

#### WOOL-PROCESSING PLANT, ST. GEORGE AREA

**Mr. NEAL:** I ask the Minister for Primary Industries: With respect to the feasibility study being carried out by Kinnaird, Hill, de Rohan and Young Pty. Ltd., consultants, into the establishment of a wool-processing plant in Queensland, will consideration be given to the establishment of such a plant in the St. George area, in view of the fact that it contains an abundance of water and is renowned for its production of wool?

**Mr. SULLIVAN:** The firm mentioned by the honourable member has been engaged by the State Government to examine the feasibility of establishing wool-top plants in Queensland. It has been asked to look at all parts of the State. Naturally it is looking at areas in which the raw material is available and I would imagine that as St. George is the centre of a wool-growing area, the consultants will report on the feasibility of establishing a plant there as well as in other centres.

#### WITHDRAWAL OF RAIL SERVICE BETWEEN CENTRAL AND BRUNSWICK STREET RAILWAY STATIONS

**Mr. MILLER:** I ask the Minister for Transport: Did he see the statement on page 8 of today's "Courier-Mail" indicating that train services from Central Station to Brunswick Street will be withdrawn from 3 October till 10 October? If so, is that statement correct?

**Mr. K. W. HOOPER:** I have seen the article referred to by the honourable member. It refers to the rebuilding of the over-bridge at Brunswick Street adjacent to the railway station. I have a copy of the statement released to the Press. Unfortunately, the statement appearing on page 8 of today's "Courier-Mail" is incorrect. It says that services between Central Station and Brunswick Street will be halted from 3 October to 10 October, instead of on 3 October and

10 October, as was indicated in the department's Press release. Suitable arrangements are being made to have this matter rectified through the Press and other media.

I mention that north-side railway services will terminate at and commence from Brunswick Street, and rail services from and to the western suburbs will terminate at and commence from Central Station. The movement of passengers between Central Station and Brunswick Street will be facilitated by buses that are being made available by the Brisbane City Council. The co-ordination of the bus services with the trains necessitates some minor adjustments to the time-tables of a number of suburban passenger services operating on those days, but the time-tables have been arranged to minimise inconvenience to passengers.

#### TENURE OF CEDAR BAY COMMUNE LAND

**Mr. WRIGHT:** I ask the Minister for Mines and Energy: Have officers of his department recently carried out a survey of the area known as Cedar Bay? Is it correct that it is now officially determined that the area in question is a miners' lease and not Crown land as stated by the Minister for Police in this Assembly on 22 September 1976?

**Mr. CAMM:** It is true that officers from my department have made a survey of the area termed "the Cedar Bay area". They will report to the Under Secretary, who will make a report to me on their findings.

I might correct the honourable member's statement that the Minister for Police said that this was Crown land. I distinctly heard the Minister say, "I have been informed", or, "From my information" they were on Crown land.

**Mr. Wright:** He said "So far as I am concerned."

**Mr. CAMM:** Yes. He said, "From my information" or "As far as I am concerned" they were on Crown land. He did not state specifically that where the people were was Crown land.

#### NEW SANDGATE-REDCLIFFE BRIDGE

**Mr. FRAWLEY:** I ask the Minister for Local Government and Main Roads: Is he aware that he has again been criticised this

week in Redcliffe over the proposed construction of the new bridge from Sandgate to Redcliffe? He has been accused of not having the courage to admit the truth regarding the highway. I ask the Minister to tell the House whether it is proposed to commence construction of the highway this financial year?

**Mr. HINZE:** Last week my attention was drawn to a Press statement by the president of the Redcliffe Young Liberals criticising me about the proposed new Hornibrook highway—or shall I refer to it as the "Houghton Highway"? Frankly, all that I want to say is that this chap, whose name I think is McGuire, would have to be a nut. He would not have a brain in his head. He would not have any semblance of sanity when it comes to road construction. He does not know anything about the policies of this Government. He is going off half-cocked for some particular reason—I would not know what.

He should try to understand that I have endeavoured to obtain sufficient funds to commence the "Houghton Highway". As I said, it will cost \$8,000,000. He tried to confuse the matter by saying that I had mentioned different figures of \$8,000,000 and \$15,000,000. Here again, he would not have a clue. The latest figure that I have from the Main Roads Department is of the order of \$8,000,000.

I have discussed the matter with the parliamentary leader of the Liberal Party, who has some good knowledge of this part of the business. The funds will be available to the Government this particular year to allow us to call tenders, which I have advised the commissioner to do, forthwith, straight away, immediately. I repeat that I think Mr. McGuire is a nut.

#### PARKING FACILITIES FOR HANDICAPPED PERSONS

**Mr. WARNER:** I ask the Minister for Transport: Has the Traffic Advisory Committee given consideration to parking facilities for handicapped persons in this State? If this committee has not met, will he advise me when it will meet? If it has met, when will its findings be made available to members?

**Mr. K. W. HOOPER:** I thank the honourable member for his question because there have been many approaches seeking

the extension of parking facilities for handicapped persons. The Traffic Advisory Committee was to meet in the coming week. Unfortunately the Police Commissioner could not be present so the meeting has been postponed for about 10 days. This item is on the agenda and as soon as a recommendation has been made by that committee I shall advise the honourable member.

#### HEALTH FACILITIES ON BAY ISLANDS

**Mr. GOLEBY:** I ask the Minister for Health: Can he indicate when health facilities will be provided on the bay islands of Russell, Macleay, Lamb, Karragarra and Coochiemudlo?

**Dr. EDWARDS:** This matter has been brought to my attention by the honourable member ever since he became the member for Redlands. I arranged for members of the South Brisbane Hospitals Board to visit the area and assess its needs and a report has reached my department. Some arrangements have been made in this matter. The honourable member has invited me on a number of occasions to tour the area with him to assess the situation myself and I hope to do that before the end of the year. I assure the honourable member that the needs of the area are well recognised by my department and the South Brisbane Hospitals Board, under whose control it will come, and I shall give the honourable member a reply as soon as possible.

#### REALIGNMENT OF RAILWAY LINE, WESTWOOD AREA

**Mr. HARTWIG:** I ask the Minister for Transport: In view of the close proximity of the railway line at Westwood to the stockyards and homestead of ex-Senator Lawrie, would the Minister give due consideration to a realignment of the proposed line so that it will not interfere with the working of stock and the owner will not have to incur the huge expense involved in relocating the stockyards and homestead building?

**Mr. K. W. HOOPER:** The honourable member for Callide has made a number of representations about this problem. A deviation is required by the Railway Department in this area and a number of alternative routes have been looked at. Admittedly, the most appropriate route is fairly close to the homestead of the Lawrie family, and at the moment through the Commissioner for Railways I have his engineers looking at other alternatives. The problem is that the contour of the land there is such that the most appropriate route is also the one that will probably cause the most disturbance. I am concerned about this, as is the honourable member, but I point out that the amount of overburden which would have to be moved in any of the alternative proposals so far considered appears to be at least double that of the proposal which the

engineers feel is appropriate. Nevertheless, we are doing all we can to accede to the honourable member's representations.

#### KNOWLEDGE OF SPORT OF HONOURABLE MEMBER FOR ARCHERFIELD

**Mr. LINDSAY:** I ask the Minister for Community and Welfare Services and Minister for Sport: Does he consider that the honourable member for Archerfield is knowledgeable when it comes to the subject of sport? Does he know of any organisation which is under the misapprehension that the said member is the Government's spokesman on sport? If there is such an organisation, would the Minister care to comment on why the organisation has been misinformed in this way?

**Mr. HERBERT:** I do not think anyone would seriously regard the honourable member for Archerfield as an expert on anything other than mud-slinging. However, I did note that the State meeting of all Brothers leagues clubs is to be addressed by the honourable member as an expert on the State policy on sport. Of course, this is an insult to all the delegates attending this meeting. It is also an insult to the organisation that its president, who is also an A.L.P. candidate, would have the hide to ask an A.L.P. member to address their congress on sporting matters at a time when the Cabinet, including myself, will be meeting in Cairns.

#### "MONDAY CONFERENCE" PROGRAMME, MT. ISA

**Mr. BERTONI:** I ask the Premier: Is he aware of the "Monday Conference" television programme on homosexuality shown last Monday and pre-recorded in Mt. Isa, which tended to portray the people of Mt. Isa as other than the decent, loving, Christian, hard-working people that they are? Will he advise the House whether the State Government had anything to do with bringing "Monday Conference" to Mt. Isa? Who paid Mr. Baxter's fare to Mt. Isa and who paid for his accommodation in Mt. Isa? Was the expenditure on the programme in line with the cut-backs in spending of taxpayers' money by the A.B.C.?

**Mr. BJELKE-PETERSEN:** I say clearly that the State Government had absolutely nothing to do with arranging the visit of "Monday Conference" to Mt. Isa or arranging or paying for any accommodation. It is easy to understand that the honourable member and the people of Mt. Isa would feel very hurt and aggrieved about being placed in the situation in which they were placed by the showing of that programme to the other people of Australia. I think it was very disgusting and certainly not in keeping with the character of the city that the honourable member represents. Personally, I know Mt. Isa very well; I have been there many times



and have a very high regard for the people who live there and for the excellent contribution that they make to the economy of the nation. I assure the honourable member that I also regret that those responsible picked Mt. Isa as the venue for their programme. It was inappropriate and completely out of character.

#### PARTHENIUM WEED

**Mr. BURNS:** I ask the Minister for Lands, Forestry, National Parks and Wildlife Service: With reference to his answer to a "Dorothy Dixer" this morning on parthenium weed—did he say in "The Courier-Mail" of 20 April this year that Queensland would be acting prematurely if it tried to press the Federal Government to provide funds to combat parthenium weed? Has he now found sufficient interest to ask the Federal Government for some funds, and has the weed spread further since he refused to seek Federal aid?

**Mr. TOMKINS:** I did say that, and I still will not ask the Federal Government for help. The situation is that we do not know enough about the weed. The Federal Government is assisting in research into it, but I think it is ridiculous to spend money when you do not know whether or not you are going to win.

**Mr. Houston:** You back some of those horses of yours when you do not know whether or not they are going to win.

**Mr. TOMKINS:** That's a different story from parthenium weed. I do not expect to win all the time, either.

The Alan Fletcher Research Station is conducting a great deal of research into parthenium weed. We are going to send a man overseas to have a look at the situation in Texas and other places from which the weed comes. It is ridiculous to ask for millions of dollars from anybody at this stage. I stand by what I said in April. We have not asked for it yet, but if the position gets as bad as it could get and our research indicates that, the time could have come when we would do exactly that, but not at this stage.

#### I.A.C. REPORTS ON BOOT-MANUFACTURING AND ELECTRICAL INDUSTRIES

**Mr. BURNS:** I ask the Minister for Industrial Development, Labour Relations and Consumer Affairs: Is he aware of the I.A.C. report covering the boot-manufacturing industry, which recommends the phasing out of many of the boot and shoe manufacturers in Australia and a reduction in the work-force of over 1,000 a year for six years? Is he also aware of the I.A.C. report that recommends a reduction in tariff protection for electrical manufacturers in this State?

I think the Deputy Premier and Treasurer should allow the Minister to answer the question. If he cannot answer it, he should not be sitting on the front bench.

Can the Minister tell me what action will be taken on I.A.C. reports of this nature? What representations has he made to the Federal Government about unemployment in both of these industries, and the report that recommends a reduction of employment?

**Mr. CAMPBELL:** The other day the honourable gentleman chided me about living in the past because I had the temerity to refer to policies which emanated from the Australian Labor Party when he was its Federal President. He hopes that that sort of attitude will just go away, because he knows that as long as the people of Queensland—

**Mr. Burns:** Answer the question. Face up to it.

**Mr. CAMPBELL:** The honourable gentleman tries to distract me. I refused to give a courteous answer the other day when he interrupted like a jackass. I deliberately sat down on that occasion, and to say that I ran away—

**Honourable Members** interjected.

**Mr. SPEAKER:** Order! I have asked all honourable members to refrain from persistent interjections while a Minister is on his feet. If I do not receive the co-operation of all honourable members, I will have to deal with them.

**Mr. CAMPBELL:** The Industries Assistance Commission is a federal authority. Having made that comment, I could sit down. As a result of the drastic policies of the Whitlam Labor Government, the Industries Assistance Commission now has much greater responsibility and difficulty than it had formerly, particularly in respect of the footwear and textile industries. The honourable gentleman can colour up because of his resentment to this answer. I repeat that the problems of Australia as a result of the Whitlam Government's legislation and actions all emanated from Labor at a time when the Leader of the Opposition was Federal President of the A.L.P. These socialistic policies were determined then. As a consequence I throw back at him his statement that it is not his fault. I ask the honourable gentleman what he did about the Evans Deakin shipyard. What action did he take about the problems that occurred in the Evans Deakin shipyard directly as a result of the action of the then Minister for Transport, Charlie Jones, in deliberately taking away from Evans Deakin two contracts to which it was fully entitled and giving them to a shipyard in his own electorate? I had to wait three months before Charlie Jones—I will call him "Charlie Jones"—would grant me an interview, and then it had to be an almost furtive interview in a corner

room at the Sydney Airport. What did the Leader of the Opposition do? Having been the Federal President of the A.L.P. when all these proposals were hatched, he now has the temerity to ask me what I am doing.

**Mr. Burns:** What are you doing?

**Mr. CAMPBELL:** I am in constant consultation with my counterpart, Senator Cotton. If the honourable gentleman wishes, I will produce the correspondence between my department and his counterparts when they were in office, and subsequently. The Leader of the Opposition cannot run away from the fact that, as the Federal President of the A.L.P. when those policies were instituted, he should be held personally responsible for the present situation. He might laugh; but he cannot laugh that one away.

**Mr. Burns:** I accept the Minister's assurance that he will table all the letters he has written.

**Mr. CAMPBELL:** I rise to a point of order. I don't know why—

**Mr. SPEAKER:** Order! I hope the Leader of the Opposition will accept the Minister's denial that he suggested tabling them.

**Mr. Burns:** He hasn't denied anything yet.

**Mr. SPEAKER:** Order! For the information of the honourable gentleman, there was no mention of tabling them.

**Honourable Members** interjected.

**Mr. SPEAKER:** Order! The House will come to order or I will deal with members under Standing Order 123A. I will not tolerate any further nonsense in the House.

#### FEDERAL GOVERNMENT DOWNGRADING OF TECHNICAL EDUCATION

**Mr. BYRNE:** I ask the Minister for Education and Cultural Activities: Is he aware of an apparent downgrading by Commonwealth Governments over the past few years of technical education? What effect is this having on Queensland's endeavours to provide technical and further education in this State?

**Mr. BIRD:** I am aware that over the past few years the Federal Government showed certain neglect of technical and further education. However, it is obvious that the inquiry instituted by the present Prime Minister will place great emphasis on technical and further education. I certainly agree with the recommendation that such an inquiry be held.

#### ABILITY OF LEADER OF THE OPPOSITION TO RECOGNISE PARTHENIUM WEED

**Mr. ELLIOTT:** I ask the Minister for Lands, Forestry, National Parks and Wildlife Service: Does he think that the Leader of the Opposition would know what parthenium weed looks like?

**Mr. TOMKINS:** The Leader of the Opposition talks a lot about the West and what he is going to do for the West. However, he never goes there, so I do not see how he could know what it looks like.

#### CONDUCT OF THE LEADER OF THE OPPOSITION IN THE CHAMBER

**Mr. LANE:** I ask the Premier: Is he aware of the number of complaints received by Government members from grade 7 pupils who have sat in the gallery and watched the proceedings of this Parliament about the loud and larrikin behaviour of the Leader of the Opposition particularly during question-time, when they are unable to hear answers given by Ministers? Will he undertake to endeavour to persuade the Leader of the Opposition to conduct himself in a proper parliamentary manner in future when school-children are in the gallery?

**Mr. BJELKE-PETERSEN:** I can well appreciate the need for the honourable member to raise this matter. I would suggest to the Leader of the Opposition that he take notice of your attitude, Mr. Speaker, and of your indication that you will not tolerate such conduct any longer. The Leader of the Opposition should observe the rules of the House.

**Mr. Burns** interjected.

**Mr. SPEAKER:** Order! I have warned the Leader of the Opposition repeatedly this morning. I now warn him under Standing Order 123A. If he does not behave himself I shall have to deal with him.

#### FIRE SAFETY ACT AMENDMENT BILL INITIATION

**Hon. F. A. CAMPBELL** (Aspley—Minister for Industrial Development, Labour Relations and Consumer Affairs): 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 Fire Safety Act 1974-1976 in certain particulars."

Motion agreed to.

#### MINERS' HOMESTEAD LEASES ACT AMENDMENT BILL

##### INITIATION IN COMMITTEE

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

**The CHAIRMAN:** Order! I do not intend to call the Minister until the Committee comes to order.

**Hon. R. E. CAMM** (Whitsunday—Minister for Mines and Energy) (12.5 p.m.): I move—

"That a Bill be introduced to amend the Miners' Homestead Leases Act 1913-1975 in certain particulars."

The proposed Bill is being introduced for several reasons.

**The CHAIRMAN:** Order! I have asked the Committee to come to order. The level of conversation is totally unacceptable.

**Mr. CAMM:** Firstly, it corrects a printing error in an amendment to the Act many years ago which was never corrected by legislation, only by inference.

Secondly, the Bill amends a section dealing with the manner of disposing of an application for miners' homestead perpetual lease.

When a miners' homestead or miners' homestead perpetual lease is forfeited or surrendered, the improvements thereon, if any, remain the property of the person who was the lessee at that time. An amendment has been introduced to provide a more equitable way of determining the value of such improvements when the land on which the improvements are situated is applied for anew as a miners' homestead. The amendment provides that if the land contains valuable improvements, the warden, before recommending the imposition of a condition that the applicant for the homestead pay the value of improvements fixed by him to the person appearing to be the owner of such improvements, shall obtain a report and valuation of such improvements and also require the applicant for the homestead and any person appearing to be the owner to furnish a valuation or claim in relation to the improvements in question. Subject to a new section 12A, the warden may fix the value of improvements notwithstanding that any person has failed to furnish a valuation or claim.

This new section 12A deals with the notification of and objection to the value of improvements fixed by the warden in respect of vacant Crown land applied for as homesteads. It requires the warden to give notice in writing to the applicant for the lease and the person appearing to be the owner of those improvements of the value that, subject to objection, he intends to fix. It also provides the time for lodgment of notice of objection and for the grounds for such objection. The warden hears objections and his decision is final. Where no objection is received, the warden fixes the value.

Similarly, a new section 19A deals with the fixing of the valuation of improvements on vacant Crown land offered for sale under section 17 of the Act, which provides that I may, by notification in the Gazette, declare that certain land is open for sale as miners' homesteads by public auction. Such notification declares the value to be paid for the improvements, if any, on the land.

The new section requires the warden to give notice of the value to be paid for improvements to the apparent owner of such improvements, for the lodgment by that

person of an objection to the value and for time of lodgment of notice. It further provides for the hearing of the objection by the warden, for his determination of it and that his decision shall be final.

If an objection has been lodged before the date of auction of the land on which the improvements are situated, and this objection is upheld, or the warden has not given his decision, the land shall be withdrawn from auction. Within three months after this date, the land may be again auctioned with the value of improvements as previously determined by the warden. There is no right of objection in this case.

The manner of making application for, and the granting of, homesteads is in no way being varied.

Most of the provisions of the two new sections were previously covered by regulation, but advice from the Committee of Subordinate Legislation and from the Solicitor-General, is to the effect that these provisions should be contained in the Act.

An error in spelling is also corrected and a new section relating to the recording of certain dealings under the Act is introduced. From 1913 up to the present time there has been no provision in the Miners' Homestead Leases Act for the registration of the release of a memorandum of mortgage, the recording of the marriage of a female lessee, sublessee or mortgagee, the change of name of a lessee, sublessee or mortgagee, or the death of a lessee, sublessee or mortgagee holding as a joint tenant. These matters have always been done administratively in the past and this legislation corrects a prior omission from the Act.

A further amendment provides for the payment of prescribed registration and examination fees in relation to easements, which were not provided for when the Act was amended in 1965.

I consider that the amendments are necessary to improve the administration of the Act and to bring it into line with modern requirements.

**Mr. MARGINSON** (Wolston) (12.12 p.m.): From the Minister's introductory remarks, all of the measures outlined are technical amendments. The Miners' Homestead Leases Act was amended in only November last, not quite 12 months ago. The Bill at that time also provided for certain legal fees.

I am wondering if the need for the present legislation was brought to a head and made necessary by what has happened at Mt. Larcom over the past couple of years and particularly over the past couple of months in addition to what was pointed out to the Minister and the Premier in June, which is a matter of three months ago, in a submission made by the people holding leases of this nature. At that time those

leaseholders were rather concerned at the amount of compensation they might get as the result of a mining application that was before the department. It had been heard by the warden in the area and his recommendations had not been disclosed to them or to the public generally. The people at Mt. Larcom had clamoured for the release of those recommendations.

I think it was in June 1975 that Mr. George Cook, an officer of the Mines Department, went to the area and addressed a meeting at Mt. Larcom. He told the gathering that those who had miners' homestead leases in that area had virtually no rights in trying to prevent mining. He said that the owners of freehold land did have rights and should receive full value for their land. I am told that he did not say that all of the soil of these people would be taken from them. That is what concerned them most. Some of them still claim that they have not been fully compensated for what is happening to them. After all, some of this land was very good agricultural land.

Generally speaking, I cannot see anything wrong with the proposals outlined by the Minister. For sure they will tidy up the responsibility for assessing—I hope in a very impartial way—the value of the improvements on leasehold land that has been disposed of or is being left or the value of the improvements on vacant Crown land. At this stage the proposals appear to be quite acceptable. When we receive the Bill—this is one that we do not have to consider fully here and now—we will study it and discuss it further at the second-reading stage.

**Mr. LESTER** (Belyando) (12.16 p.m.): I should like to refer to a few aspects of the Bill as they apply to the gem-fields area in my electorate. There are a number of miners' homestead perpetual leases in this area and they have been taken up by people who have gone to the area to retire and to make a little money from gem stones in the healthy climate of the district. Such leases help to bring stability to the field and strengthen the arguments for the reticulation of electricity to the area, the provision of a school-bus service to take children to the high school at Emerald, and the establishment of caravan parks. There are a number of small rock-shops and, with better roads, a greater degree of stability will come to the area. This is particularly important.

It is necessary that the Bill be brought down to make these technical amendments. Nowadays people seem to have more regard for the legality of things. It is now not quite so easy to say, "Yes, Joe, that's all right." So often today Q.C.s and others pick up technicalities and take people to court over them. We, as a Government, have therefore to be responsible and to act in these matters.

In referring to the stability of the gem-fields, to which the Bill does in some measure relate, I must point out that the media in Brisbane grossly exaggerated recent events on the gem-fields. In fact, they blew them up out of all proportion. Only last week I went to the gem-fields and before I left the police contacted me to ask if I would like police protection. I said, "For goodness sake, what are you coming at?" They said, "Somebody told us you might need it." Of course, I told them that that would not be necessary as I was sure I was too well known to be assassinated or to suffer any violence at all.

I went out on my own and the people there were at all times most courteous to me. I saw a number of people who had at the time miners' homestead perpetual leases and I spoke with them about the way in which the new regulations would affect them.

Before I conclude I should like to say again that I was particularly disappointed with the reporting of the recent problems on the fields by the Brisbane "Telegraph". That newspaper somehow managed to obtain a copy of a telegram that I had sent to the Premier and the Minister for Mines suggesting some 2½ weeks ago that the fields be in effect frozen until a few problems had been sorted out. When a person sends a telegram to people of such status in which he asks for something to be done, he expresses himself very strongly. This specific telegram was somehow leaked to the "Telegraph" and that newspaper had the effrontery to publish it on the front page of the mid-day edition on Saturday two weeks ago. This was not a fair go.

The reporter responsible knows to whom I am referring and I think he should go to the nearest corner and bury his head and not come out again until he has been to confession. Furthermore, he took a copy of the telegram round the gem-fields and tried to show it to everybody. He said, in effect, "I am here to try to stir up trouble. I am here to try to report things. What do you think of this?" He had no right to do this. I have never ever attacked a reporter before, and I am not going to mention his name because, as I say, he knows that I know who is responsible. I think it was a despicable act and something that should not happen in this country. The reporter knows how I feel about it. I asked him how he got the information and he told me that that was his trade secret. I say to him that he is not a tradesman if he is going round like a dirty little boy looking up pipes trying to get information such as this.

Reporters have to learn to be more responsible and try to report things correctly. The stories about machine guns and other things being in the area were the greatest lot of bally-hoo I have ever heard in my life. I thank you, Mr. Hewitt, for your indulgence. I might have got off the track a little, but as the introductory debate

was held while I was inspecting the gem-fields I thought I should say something. I have always reported these matters to the Minister to the utmost of my ability and in confidence. The Minister is looking at a number of recommendations. He has worked a number of them into the Bill for the benefit of all people on the gem-fields, and I am sure things will sort themselves out. Problems always occur when we amend an Act of this nature; but I honestly believe that things will work out reasonably well.

It must be clearly understood that nobody will be permitted to retain thousands of claims. Each miner is allowed only two claims. The Mining Warden has a discretion as to the area they can peg, and the person pegging the claim has to be a bona fide miner. In other words, I could not go and peg a claim in your name, Mr. Hewitt, and say that I was working it for you. This would not be allowed. You would have to be there with your pick and shovel or machinery, as the case may be, and you would have to work the claim yourself.

So I say to the people of Brisbane, "For goodness sake be a little bit responsible when you are talking about the gem-fields." We have a wonderful area up there and what benefits that area benefits the whole of Australia. This way-out, flamboyant type of reporting does nothing to help the gem-fields and does nothing to help the tourist industry in Queensland. The tourist industry is a very important one because, after all, the people of Brisbane make money as southern people go through Brisbane on their way north. The Minister for Police, who has come into the Chamber to listen to this debate, would know this because he is a former Minister for Tourism. He is listening to this debate because of reports of violence on the fields and because he was asked to send police out there. Now he has it from me that the situation is nowhere near as bad as some people tried to paint it to him. I again ask everybody to be a little cautious when they talk about the gem-fields. If people want advice on the situation on the gem-fields, all they have to do is come along and talk to me and I will give them the correct advice.

**Mr. CASEY** (Mackay) (12.24 p.m.): I was interested to hear the Minister refer to the amendments contained in the Bill regarding the valuation of the old miners' homestead leases. The question of valuation has created considerable problems in various areas, particularly on the older mineral fields. Those of us who have some knowledge of this legislation would know that after a certain period of time the rental, which is only a nominal amount, on those areas is reduced and becomes merely a peppercorn. Consequently, the Mines Department does not have regular correspondence with those people.

On the older fields the miners who originally took out the leases have in almost all cases passed on, and what seems to happen

then is that somewhere along the line the land gets caught up in estates. The records of the Public Curator's office in particular would be full of this sort of occurrence. The Minister for Police would be aware of some of these cases in his own electorate. The land seems to become tied up in estates. Because a proper valuation cannot be made for purposes of transfer of the estate, relatives tend to lose interest in it to some extent and neglect to have it transferred or finalised. That is particularly so in the case of someone who dies without making a will, and, of course, many of the miners who took up leases in the early days did not make a will. Families find themselves in trouble because they cannot establish ownership of the miners' homestead lease that is tied up in an estate. Because the rental has been reduced to a peppercorn rental, the Mines Department is not really concerned. However, local authorities are missing out to some extent. The people in possession of the land are usually descendants of the original lessee, although they may not really have ownership of it. In some cases squatters who are prepared to pay the local authority rates may be on the land, and they continue to live there. Disputations and rows occur amongst members of the families because no proper valuation of the land can be made. I sincerely hope that the amendments which the Minister proposes to introduce will cover situations such as these.

Other types of miners' leases have caused considerable embarrassment for a number of years to local authorities in old mining areas. In many instances the period within which a normal rental fee is payable has run out and the miners have moved on. No-one is in possession of the land, but it seems to be tied up, so that the local authority cannot take it back. The Mines Department does not seem to consider it worthwhile cancelling the leases and trying to get someone to re-lease them.

The Minister and the officers of his department must have many headaches in trying to sort out all the problems associated with miners' homestead leases, but I trust that the amendments relative to valuation do tidy up the points I have mentioned.

**Hon. R. E. CAMM** (Whitsunday—Minister for Mines and Energy) (12.28 p.m.), in reply: I thank honourable members for their contributions to the debate.

The honourable member for Wolston spoke about the technical amendments to the Act. They are not very technical; in effect, they cover what has been done administratively over the years. The department and the warden fix the value of improvements when an application is made for an abandoned lease. The amendment is being included in the Act to ensure that the department will have greater power and that its decisions cannot be questioned legally.

Naturally, at the introductory stage members cannot speak with any real authority about what is in the Bill. They take liberties and assume what the effect will be. I assure the Committee that the Bill will not have any effect on the people of Mt. Larcom. Some of the people there are on old miners' homestead leases and others are on miners' homestead perpetual leases. Under the provisions of the Act, they were entitled—and rightly so—only to the value of the improvements on their land. When they settled on a miners' homestead lease or a miners' homestead perpetual lease, they knew the conditions. They were settling on a mineral field, and if, at some time in the future, the land was mined, they would be entitled only to the value of the improvements. They paid nothing for the lease in the first place; they simply took it up from the Government.

Because the area has been settled for a long period, dairying and agriculture had been carried on on the blocks and there were substantial improvements on them. I had a discussion with the company concerned and it agreed to compensate the people concerned as if the land were freehold. The compensation will include the value of the improvements, and the value applicable to a freehold title will be paid for the land itself. That is a great concession for the people living on miners' homestead leases and miners' homestead perpetual leases.

Of course, not all people are disturbed and not all people are disappointed. Quite a number of people came to see me and said how pleased they are, that the price offered by the company is far higher than they expected to be offered in the first place. It is a fact that the soil will be taken as well as the limestone, because the soil is necessary to manufacture the clinker. If the soil had not been suitable, they would have mined the limestone and then had to mine the soil in some other part of the district. Isn't it better to take both components for the clinker plant in the one open-cut operation? But that has nothing to do with the Bill. I am not blaming the honourable member for raising the matter; as I said, he has not had an opportunity to peruse the Bill.

It does not apply to improvements on land that has been transferred; it applies to land that has been abandoned—mining leases that have been abandoned because of non-payment of rent or because the people have just walked away. When a new application is made for these leases, someone has to make an assessment of the value of the improvements. The warden has always done it, and we are making that regular now by incorporating it in an amendment to the Act so that the warden concerned can fix the valuation of the improvements. If the improvements are substantial, the apparent owner will have to submit what he considers to be the value of the improvements, and the warden will make his assessment.

The honourable member for Belyando spoke about miners' homestead perpetual lease tenures on which homes may be built. Those leases are the means by which persons on a mineral field can obtain an area on which to reside. Many years ago those areas were rather extensive because it was considered that the miners would need an area on which to run a few cows and a couple of horses or do whatever they would require in association with the mining industry. When a lease is required to undertake mining, a mining lease is the tenure applied for.

The honourable member mentioned the gem-fields in the Anakie-Rubyvale-Sapphire area. I was pleased to hear him say that when people are apprised of exactly what this Government has done, they will appreciate what we have done in our desire to protect the small miners and tourists who go into that area to mine for gem-stones. I thank the honourable member for the work he did in that field during the so-called crisis period when miners and others associated with the gem-fields were not fully aware of what was intended by the Mines Department. We have been accused of leakages from the department. I suppose some information was guessed at by people in the area, and they went ahead and pegged claims. I think they will be fully aware of what the conditions are when they read next Saturday's Government Gazette. They will then realise that what we are doing is for the benefit of people in the area.

The honourable member for Mackay talked about the valuation of leases. This Bill has no reference whatsoever to the actual valuation placed on leases by the Mines Department or anyone else for rateable purposes. The Bill refers specifically to the valuation of improvements on a lease. I am sure the honourable member is a little confused. There are several leases that can be obtained in the mining industry. The miners' homestead perpetual lease is valued by officers of the Mines Department for rental purposes about every 10 years. If the rent is not paid for 12 months, the lease is forfeited and it reverts to the Crown. No rates are payable because there is no holder of the lease. There is no confusion in that respect.

The miners' homestead lease is an old title that was issued many years ago. The holders of those leases paid their rent for 30 years, and after the payment of rent for 30 years they could reside on the land for the payment of 10 cents a year—it used to be one shilling a year—if called on by the Mines Department. If someone walks away from one of those leases, and there are problems with resettlement or problems with a local authority, the Mines Department can call on the last holder of the lease for the rent. It can demand its 10 cents for rent. If it is not paid, that lease is forfeited.

There is another one in the honourable member's area, which I am sure is the one he is thinking about, namely, the old mineral freehold lease, some of which are to be found in the Mt. Briton and Mt. Orange areas. Those freehold areas were taken up over 100 years ago, in about 1868, and the holders owned both the land and the mineral underneath the surface. Consequently they went outside the control of the Mines Department. Anyone who mines there pays a royalty to the owners, and we collect the royalty for them.

There are not many of these mineral freehold areas, but there are some in the electorate represented by the Minister for Police and also some on the gem-fields. They are scattered around Queensland. Because they are passed on, they can cause confusion to local authorities. If someone keeps paying the rates on those mineral freeholds, they remain in the same family for generations. If they are disposed of, they are registered. Very few of them have been abandoned with the resultant difficulty of tracing the owners.

Those areas, however, are not referred to in the Bill. It deals only with the valuation of improvements on a miners' homestead perpetual lease when application is made for the taking up of an abandoned lease or one that has been forfeited for non-payment of rent. It refers also to an application that is made for a lease over a new mineral area on which improvements are situated.

Motion (Mr. Camm) agreed to.

Resolution reported.

#### FIRST READING

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

### POLICE (PHOTOGRAPHS) ACT AMENDMENT BILL

#### SECOND READING

**Hon. T. G. NEWBERY** (Mirani—Minister for Police) (12.39 p.m.): I move—

"That the Bill be now read a second time."

As indicated during the introductory stage, the object of this Bill is to widen the range of circumstances under which photographs produced in evidence may be made available for use in further litigation. The Bill widens this range of circumstances in three major areas. Firstly, it seeks to make available copies of any photograph produced in evidence on behalf of the Crown. Under the present terms of the Act the only photographs available are those made by or on behalf of the police. If this amendment is accepted it will mean, for example, that a copy of a photograph taken by a member of the public and tendered in evidence by the Crown could be released later to persons prescribed in the Act.

The second major amendment relates to the stage at which a copy of a photograph can be released after being submitted in evidence. Under the present legislation such a photograph is only available for release after further court proceedings have actually commenced. The Bill proposes that copies of these photographs be now made available to members of the legal fraternity and persons with a legitimate interest prior to the commencement of any further legal action. The proposed amendments will therefore assist interested parties to decide whether further litigation is possible or pointless, and should mean considerable time and cost savings for those involved.

The third major aspect of the Bill is that, by widening the previous requirement for the photograph to be made by or on behalf of the police, it will enable copies of photographs tendered in a Warden's Court, the Land Court or the Industrial Court to be made available to persons with a legitimate interest.

In his remarks during the introductory debate the honourable member for Nudgee referred to the case of a North Queensland man who was arrested on a charge of vagrancy and subsequently photographed and fingerprinted. I wish to point out to the honourable member that those photographs would have been taken under section 43 of the Vagrants, Gaming, and Other Offences Act, which empowers the taking of fingerprints, photographs and palm-prints of offenders. The Act requires that the photographs be destroyed if a person is found not guilty.

I wish to express my appreciation to the honourable member for South Brisbane for his remarks on the need to respect and support the Police Force, and to the honourable member for Barron River and the honourable member for Mackay for their support of the general provisions of this Bill.

However, during the debate the honourable member for Mackay appeared to be confusing the Act under review with section 34 of the Traffic Act, which provides for the supply to interested parties of information concerning road accidents. The driver of a police vehicle involved in a traffic accident must supply his name and address as well as the name and address of the owner of the vehicle to any other party involved in the accident. I can assure the honourable member that copies of photographs tendered in evidence in any case involving a police vehicle would be available under the provisions of the Police (Photographs) Act.

While I do not necessarily share the opinion of the Law Reform Commission held by the honourable member for Townsville South, I should point out that the commission made no representations to me regarding the proposed amendments to the Act now under review. The submissions came from the Queensland Law Society and they have my support in this matter as well as the support

of my colleague the Honourable the Minister for Justice and Attorney-General. I can assure the honourable member that the Bill now before us is not designed to assist criminals or the lawyers who may represent them.

The Bill extends the provision for the supply of photographs to include any photograph produced in evidence on behalf of the Crown. It does not provide for the supply of copies of photographs produced by the defence.

There is no provision in the Bill for the acceptance as evidence of a photostat copy of a document such as a birth certificate. However, there is established procedure for the receipt in evidence of a certified copy of such a document which is produced by a person who can identify the document with the person named therein.

Over the years the Queensland Police Department has received many requests for photographs which were not able to be approved because of the restrictions of the present Act. The amendments proposed are in recognition of the need to widen the present terms of the Act in the interests of justice and as a service to the community.

**Mr. BURNS** (Lytton—Leader of the Opposition) (12.44 p.m.): The Opposition does not oppose the Bill in any way. We support its introduction. Any move to assist justice to be done and to get the police out of the difficult position of being forced to refuse to supply photographs must be of benefit not only to the legal profession but also to the policemen themselves.

The new section defining "prescribed purpose" refers to "the purpose of answering a charge of an offence", "the purposes of a proceeding commenced in any court", "the purpose of deciding whether to commence a proceeding in any court" and "the purpose of deciding whether to defend a proceeding which may be commenced in any court." I am worried that there could be some invasion of privacy in that people who are not necessarily involved in a case might be depicted in the photographs. Take, for example, a traffic accident in which someone is killed. The photographs would show the body, the accident scene, and things of that nature. It seems to me that there should be some protection to ensure that the photographs are not handed around indiscriminately because this could cause distress and concern, for example, to the family of the deceased person.

I watched the television cover of the man who went berserk with a rifle outside the Main Roads Department building. The cameras were continually turning onto the body of the little girl lying in the street with a blanket covering her. To me, this is not good.

**Mr. W. D. Hewitt:** I think that that sort of stuff is sick at the best of times.

**Mr. BURNS:** I do not know that it goes to the extent of being sick. It depends on a person's mental attitude to these things. I would not like to think that it was my daughter lying in the street with the cameras being continually turned onto her body. A father would remember that for the rest of his life.

I do not suggest that the police will release these photographs indiscriminately. But once the photograph is given to a person to determine whether he will commence a proceeding or defend himself in the courts, he is permitted to use the photograph in any way he likes. I know that it would be very hard to draft such a provision. We have the Invasion of Privacy Act. To me, the privacy of that young girl and her family was invaded in some way by the media. I raise the matter so that the Minister can refer it to his advisers to see what can be done in the future.

The Opposition has no objection to the Bill.

**Mr. LOWES** (Brisbane) (12.47 p.m.): I support the Bill. At the outset I should like to change the tenor of the debate from the macabre note of the Leader of the Opposition to a more facetious one regarding photographs and people who are not really parties to the event in question. I am reminded of a friend of mine who took the day off from work to see Don Bradman play in his last Test match and next morning saw his photograph in the newspaper. His privacy was certainly invaded. But we are dealing with the sort of privacy which might be impossible to protect.

I have found in cases of claims for personal injuries arising out of motor vehicle collisions the great advantage of having the existing Police (Photographs) Act. Last year I was involved in an action on behalf of a young lad who had been injured on a pedestrian crossing in a country area. As a consequence of his injuries he had no recollection of the incident. By looking at the police photographs, we were able to reconstruct the events leading up to the incident and also to establish the particular circumstances existing as at the date of the incident.

The trial commenced some three years after the incident and, on behalf of the plaintiff, we arranged for photographs of the scene to be taken then. It was only later that we were able to find out that police photographs had been taken at the time of the incident. The vast difference between the circumstances that existed on the date of the trial and those at the time of the collision was shown very clearly by those photographs.

There are times, of course, when the information that the police have in their files is not available to civil litigants. This



is quite understandable. It would be of greater advantage if there was not such a backlog of cases. Here again, this is not the fault of the police or of the parties being charged. Usually the delay is caused by the pressure of work in the courts. There is this delay pending the hearing of prosecutions and, in the intervening period, the litigant and his representatives are unable to get full details of the different versions of collisions. During that time I assume they are unable to get copies of the photographs. Once the prosecutions are out of the way and a determination has been made, the full details of the police version and the photographs become available.

I am pleased to see that the Queensland Law Society, my own association, supports the Bill. There is nothing in it but good for the practice of the law and for those who unfortunately have been injured. For those reasons I support it.

**Hon. T. G. NEWBERY** (Mirani—Minister for Police) (12.51 p.m.), in reply: I thank the Leader of the Opposition and the honourable member for Brisbane for their contributions. I understand the concern of the Leader of the Opposition over the indiscriminate issuing of photographs.

**Mr. Burns:** Not so much the issuing; I am worried about what they do after they get them.

**Mr. NEWBERY:** The new section 5 (2), which is to be inserted by clause 3, provides—

“If the person who has custody of the photograph is satisfied that the person making the request is entitled as prescribed to the print sought and that the relevant sum has been paid he shall take all steps necessary to have the print made and supplied.”

Those with custody of the photographs would be the Clerk of the Court, the Registrar of the Supreme or District Courts, the Crown Solicitor or the Under Secretary Department of Justice. They are the ones from whom the photographs would be obtained. I do not think there is any need for the fears of the Leader of the Opposition. I do, however, agree with what he said about the recent incident at Spring Hill. It struck me, too, that constant flashing back to the victim was in bad taste. I think that that sort of thing should be stopped.

I should like to thank the honourable member for Brisbane, too, for his contribution. I agree with both members who spoke that it is a very necessary Bill.

Motion (Mr. Newbery) agreed to.

#### COMMITTEE

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

Clauses 1 to 5, both inclusive, as read, agreed to.

Bill reported, without amendment.

[*Sitting suspended from 12.55 to 2.15 p.m.*]

#### TREASURER'S FINANCIAL TABLES

Hon. W. E. KNOX (Nundah—Deputy Premier and Treasurer) presented the tables relating to the Treasurer's Financial Statement for the year 1976-77.

Ordered to be printed.

#### ESTIMATES-IN-CHIEF, 1976-77

Mr. SPEAKER read a message from His Excellency the Governor forwarding the Estimates of the probable Ways and Means and Expenditure of the Government of Queensland for the year ending 30 June 1977.

Estimates ordered to be printed, and referred to Committee of Supply.

#### SUPPLY

##### OPENING OF COMMITTEE—FINANCIAL STATEMENT

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

**Hon. W. E. KNOX** (Nundah—Deputy Premier and Treasurer) (2.17 p.m.), who was received with Government “Hear, hears!”, said—

##### INTRODUCTION

MR. HEWITT,

In presenting my first budget as State Treasurer, I wish to commence by indicating that I feel honoured to have been given the responsibility of guiding through the House the series of budgetary measures which comprise what is generally regarded as the most important segment of the normal annual Parliamentary program—the measures through which the House lays down the guidelines for the year's activities of the Government as a whole and which represent the traditional basis of democratic control by the elected representatives of the people of the State over those who comprise the executive arm of the Government.

I have previously paid tribute to the work done by my predecessor in office, the Honourable Sir Gordon Chalk, who presented the budget of the State in the preceding ten consecutive years, but I want to repeat again so that it will appear in the widely distributed Financial Statement, that I regard the record period of ten years during which Sir Gordon occupied the portfolio of Treasurer as ten years of very thoughtful and competent management of State finances. The State's finances are in a very healthy position even if problems currently facing the nation as a whole give us some cause for concern.

##### THE 1975-76 FINANCIAL RESULT

After budgeting for a deficit of \$5.6 million in 1975-76, including the elimination of the accumulated deficit at 30th June, 1975, of

\$5.9 million, the actual Consolidated Revenue result for the year was a small surplus of \$714,000.

One of the main areas of concern in the result of the last financial year was the outcome of Railway operations. In spite of an increase of 40 per cent. in the general freight rate structure from 1st November, 1975, the result was a deficiency of \$70.7 million before providing for charges of some \$26.5 million applicable to the Railway general debt. Had it not been for the profitable operation of mineral lines the deficiency would have been much greater. I refer to this problem again later in the Budget Speech.

Full details of expenditures and receipts, together with similar details for the Loan Fund and the Trust and Special Funds, appear in the financial documents.

### THE ECONOMY

A dynamic, expanding economy is the mechanism by which all Queenslanders can share in the benefits from our great natural resources, past and current capital investments, and the productive utilisation of our skilled human resources. A growing economy provides job security, a wider range of future prospects, a stronger base for Government activities, and a sense of confidence in the future. In the decade to 1973-74 Queensland benefited substantially from a period of rapid growth arising from mining and processing developments associated with our great mineral wealth. In terms of growth in population, employment, output and incomes, Queensland emerged as the fastest developing State in Australia.

However, although our great mining industries and associated processing activities are generally operating satisfactorily, new developments in this area have been slow to eventuate and the economy has otherwise been generally in a state of lull for some time now in parallel with economic conditions prevailing throughout the nation as a whole.

Consumer demand has been slow, no doubt due largely to present unemployment and the uncertainty of future employment prospects. Our factories and businesses are operating at below capacity. Lack of demand and uncertainty as to final capital costs have precipitated a fall in new investment, particularly in new plant and equipment, and there has been a general lack of confidence within the business community.

However, there is a growing feeling that an upswing is on the way, with some of the planned major prospects contemplating early commencement, and with indications that the rate of inflation is being slowed.

With a view to ensuring that the revival of the economy is centred upon the areas which will give lasting improvements in production capacity, the Commonwealth Government has

instituted a policy of contracting the public sector so that the private sector will have room to expand and grow once more. It has also taken certain initiatives designed to stimulate capital investment expenditure. While economists differ in their views as to what is best for the long term benefit of the nation, I am deeply concerned at the level of lost production, the personal frustrations, the deprivations, and the unfavourable effects on attitudes, particularly of our younger citizens, which result from a continuing high level of unemployment. I believe that the short term advantages which would flow from an expansion of public spending in selected areas where the spending could be quickly reduced when the private sector recovers, would be greater than any long term disadvantage which might result from such action. The States and Local Authorities have many areas where such increased spending could result in very productive activity, making use of resources in the private sector under contract arrangements and so assisting the recovery of that sector of the economy.

It has been quite obvious that, in the worst period of inflation, the major cause was the extremely rapid expansion in Commonwealth Government programs and that the removal of excess demand by cutting Government expenditure was the first essential towards regaining stability. However, my feeling is that the Commonwealth has been too severe in its cutbacks in this area. Capital grants and loan allocations to the State have this year been substantially reduced in real terms and in many cases in absolute terms. I have been disappointed by this aspect of the Commonwealth Government's policy. I would like to have been able to provide some part of the necessary stimulus to the economy through an expanded State Works program this year.

One aspect of major concern in a prolonged period of low demand is the tendency for previously efficient designing and contracting groups to disband as work ceases to become available, and a temporary injection of Government funds would do much to avoid the occurrence of this problem. Once efficient productive units are broken up, it takes a considerable time for them to return to a situation of peak performance when work does become available.

I give the assurance to the Committee that wherever and whenever possible during the year every dollar of saving that can be made in the State budget provisions will be immediately redirected to capital works to supplement the approved State capital programs. This is the crucial area for the whole economy in the short term, for employment in Government and private areas, for the maintenance of skilled groups and so on and this is the area I will be keeping under constant review during the year.

A more detailed account of conditions in the various sectors of the Queensland economy is provided in Appendix C.

### THE 1976-77 BUDGET CONSTRAINTS

In the light of the overall economic situation which I have described, the State Budget for 1976-77 is influenced by the following factors.

#### *Commonwealth Government Expenditure Restraints*

Firstly, expenditure particularly from the Loan and Trust Funds is affected by the Commonwealth Government's policy of restraining outlays in the public sector. The general loan allocations approved by the Australian Loan Council for the States for 1976-77 were limited, on the Commonwealth Government's insistence, to an increase of 5 per cent. over the previous year's figures, which increase falls far short of the increases in cost levels experienced during the year and therefore caters for a level of real expenditure considerably below that in the previous year. The approved borrowing allocations for semi-governmental authorities were increased by 18.6 per cent. and in looking at the two capital programs, the State Loan program with an increase of funds of 5 per cent. and the semi-governmental program where the authorities have been permitted to borrow funds 18.6 per cent. in excess of their funds for last year, we find that we have an increase in available capital funds of just 11.3 per cent. As building costs increased during the year by some 19 per cent. it is clear that this must result in a contraction of work.

In addition, a similar and even more severe approach has been followed in the determination of levels of specific purpose capital payments to the States. Overall, the estimated Commonwealth Government's specific purpose capital payments to the States are 6.9 per cent. below the actual money payments in the previous year, which is equivalent to a reduction of something like 22 per cent. in real terms.

In one instance—the National Sewerage program—the reduction for Queensland in spending on general works is from \$13.8 million last year to \$1 million in 1976-77.

Funds to be provided towards Queensland roads expenditure will increase by only 2 per cent. which, of course, represents a major decrease in real terms when viewed in the light of increases in construction costs over the past year.

Under the Welfare Housing program the amount provided by the Commonwealth to the State has not increased in money terms since 1974-75 so that substantial reductions in the volume of physical work carried out under that program have been required to allow for increased cost levels during the intervening period.

This is clearly illustrated by a comparison of the numbers of houses which the Queensland Housing Commission has been able to construct under the program in recent years.

In 1974-75 the Commission completed 1,359 houses under the program, in 1975-76 1,069, and in this financial year it is estimated that it will be able to complete only 800.

#### *Burdens Upon Industry*

The second major constraint in the formulation of the Budget has been the need to ensure that impositions by the State in its revenue raising activities have the least possible detrimental effect on the ability of industry to continue to provide employment and on the prices of commodities and services. The alternative might have been considered of increasing State taxes and charges to obtain the funds necessary to compensate for the restriction in loan funds and specific purpose payments from the Commonwealth. However, to do this would obviously have added to the problems presently being faced by the private sector and would have resulted in significant increases in costs of production and lower capacity for employment.

The Budget therefore deliberately sets out to minimise burdens on industry. Obviously, the costs of providing Government services are continuing to increase along with the general cost structure within the economy, and provision has had to be made for the raising of additional revenue to cover these increases. This will mean that charges for services will be increased to preserve the real value of the revenue received. However, by following a very tight policy of expenditure control, it has been possible to avoid general increases in taxation and to provide for some significant concessions.

Departments will not be permitted to increase their staff numbers above the establishment levels approved at the end of June, 1976, and they have been required to effect economies where this can be done without serious detrimental effect on the quality of service provided.

By following this policy of very tight control over Government spending, it will be possible to continue to provide State services at a reasonable level and at the same time to draw the least possible spending power away from the private sector.

#### *Budget Uncertainties—*

The third major constraint consists of the uncertainties which we face in respect of the future rate of inflation and the revenues under the new tax sharing arrangements.

#### *Salary and Wage costs*

In the budgets of recent years it has been necessary to make very substantial provisions for the cost of salary and wage increases which take effect after the budget estimates are prepared. The costs of such increases experienced in 1974-75 and 1975-76 were \$106.8 million and \$71.6 million respectively

and, while hopes are held that we will see a continuing decline in the rate of salary and wage increases in the future, it would be unwise not to make provision for a rate of increase approaching that of last year. Bearing in mind that the base outlay which is subject to escalation is now significantly greater than it was last year, it has been decided that a sum of \$83.5 million should be set aside for this purpose.

#### *Revenue under tax sharing arrangements with Commonwealth*

The need for adequate provisions is also increased by the higher level of uncertainty attaching to the revenue which the States will receive under the new arrangements with the Commonwealth for the sharing of personal income tax revenues.

While the most recent estimates made by the Commonwealth Government indicate that the State will receive \$646.5 million under these arrangements, this figure is subject to a greater propensity for variation from estimate than was the case under the previous Financial Assistance Grant formula. While the Financial Assistance Grant formula entitlement will, for a period of four years, operate as a minimum grant for the State, estimates of personal income tax receipts, to which the States' entitlements are directly related, will be subject to variation relative to changes in business and investment incomes as well as to factors similar to those which have determined the level of Financial Assistance Grants in the past. Furthermore, the progressive personal income tax scale will tend to aggravate the effect of any of these changes on aggregate collections because a given variation in aggregate incomes will result in a more than proportionate variation in income tax collections.

The estimate provided by the Commonwealth of the State's share of personal income tax has been included in full although it is some \$15 million above the Commonwealth's estimate of the minimum grant established by the Financial Assistance Grant formula. The possibility of a sizeable reduction in this item of revenue below the estimated figure therefore cannot be overlooked. As already mentioned, the figure cannot, however, fall below what would have been received under the previous Financial Assistance Grant formula arrangements.

#### THE 1976-77 BUDGET

In line with what has already been said, the main tenets of the 1976-77 Budget are—

- (1) There will be no increases in State taxes other than in certain Liquor Licence Fees but charges for services will be increased in line with cost increases since they were last reviewed.
- (2) There will be certain taxation concessions and adjustments in line with stated Government policies.

- (3) There is to be no significant degree of expansion of Government services but existing services will be maintained at current levels with a continuation of very strict control over expenditure.
- (4) Various forms of Government assistance to non-Government organisations are to be increased to the degree necessary to maintain their real value.
- (5) Capital programs for State and Local Government works have been heavily cut, particularly where the programs rely in whole or in part on the Commonwealth budget for their funding. All other State funds and programs will be closely monitored during the year with a view to supplementing State capital programs if further funds become available from savings in expenditure or improvements in revenues.

#### CONSOLIDATED REVENUE FUND

Receipts are estimated at \$1,596.5 million, while expenditure provisions total \$1,597.0 million, resulting in an estimated deficit of \$565,000 on the year's operations.

After taking to account the small surplus of \$714,000 carried forward at 30th June, the Budget is drawn so as to produce a small accumulated surplus of \$149,000 at 30th June next.

#### RECEIPTS

##### *Succession and Gift Duties*

Succession Duties will be abolished in respect of the estates of persons who die on or after 1st January, 1977, and Gift Duty will be abolished in respect of gifts made on or after that date.

The Government has, of course, already announced its intention to abolish Succession Duties from that date.

This represents a very significant and widely welcomed reform in the Government's taxation provisions. It has been the Government's policy for a very long time to remove this tax as financial circumstances permitted, and this year's proposal represents the final major step in a series of measures over past years designed to provide increasing relief, initially in the areas where the need was exceptionally pressing, and now totally.

Death taxes are the most disliked taxes of all, throwing their burden as they do on individuals at a time when they are faced with emotional pressure and social readjustments, as well as the financial crisis which the liability for payment of the duties often brings with it.

In granting this relief, Queensland leads the way as the first State to do so, and the move can be expected to result in some

improvements to the State's economy as a by-product of it. I have every confidence that it will bring to the State substantially increased private capital and real estate investment in the months ahead. It will attract persons with capital resources into the State and will encourage investment by Queenslanders in their own State.

At a time when there is a need for increased capital investment in private enterprise in Queensland, the abolition of Succession Duties will provide a most useful stimulus.

The economy of Queensland must be the ultimate beneficiary.

Gift duty, which has been imposed largely for the purpose of deriving appropriate revenue from persons who dispose of their estates more than three years prior to death, does not account for a large amount of revenue and the receipts from the tax could in any case be expected to fall sharply when one of the incentives to reduce the size of an estate is removed. It is considered that it would be both inappropriate and costly in relation to revenue still capable of being collected to retain the gift duty provisions after death duty has been abolished.

The cost of these major concessions, in conjunction with the exemption already given in relation to succession passing from spouse to spouse, will be in the vicinity of \$30 million per annum when they have their full effect.

This year's revenue will be significantly affected by the delayed impact of the exemption given last year for spouse to spouse successions as well as the reduction in gift duty collections. However, due to the time lag involved in the lodgment of estate returns, their assessment, and the subsequent payment of duties, the total abolition of the duty will not itself result in a major reduction of collections below what they would otherwise have been this year.

#### *Pay-roll Tax*

Honourable Members will be aware that I have been giving very deep consideration to the question of relief in the area of pay-roll tax.

Many submissions have been received in this respect at my invitation. They will continue to be examined in order that any appropriate areas in which reforms might be instituted can be determined.

However, from the comments which have been received to date and which reflect my own thoughts on the subject, it is quite clear that the area in which relief is most needed is that of the small scale business operation.

We sometimes tend to think of the future development of the State only in terms of the number of major and spectacular projects which are likely to get under way in a given period. However, a look at history will show that many of the State's large scale enterprises have had small beginnings. Once afloat, with the right men at their head,

they have gradually taken on more work and more employees until they have eventually established themselves as major undertakings. I firmly believe that this type of development is still essential in Queensland today and that every possible encouragement should be given to the small entrepreneur by ensuring that the road before him is as smooth as possible.

For the really small businessman, the engagement of even one additional employee is a major move. He approaches the stage where he and the small number of employees which he already has can barely cope with the volume of work available to the business but where the employment of one extra person would add heavily to the concern's outlays without greatly increasing turnover or production in the initial period of employment. Liability for pay-roll tax only serves to accentuate this problem.

The levying of pay-roll tax on business in this category is very similar in its antisocial effects to the early hearth tax and window tax which were imposed on these objects on the basis that the number possessed served as a rough measure of the owner's wealth. Obviously the burden of the tax encouraged the reduction in numbers of the items comprising the tax base, with resulting undesirable effects on the quality of premises erected.

With pay-roll tax operating on employment as a base, it has a similar effect on the willingness of employers to take on additional employees, particularly in this area of small business. Such an effect is undesirable in the present circumstances of high unemployment.

Pay-roll tax is one of the few major revenue producing forms of taxation open to the States, and must therefore be retained. However, it is desirable to provide reforms where this can be done without an unbearable cost to Consolidated Revenue, and this is what is being proposed in this Budget.

I am sure that such reform will play a very useful part in the placement of many members of the workforce presently without jobs.

To provide special assistance to firms in the small business category, it is proposed to increase the maximum pay-roll tax exemption from the present \$41,600 to one and a half times that figure from 1st January, 1977, making the exemption \$62,400 from that date. Further, it is proposed to double the present exemption level to \$83,200 from 1st July, 1977. Furthermore, the Government undertakes to again increase the maximum exemption from 1st January, 1978 to the figure of \$100,000. This will be confirmed by legislation.

The new minimum exemption level from 1st January next will be lifted from \$20,800 to \$24,000 in line with the figure adopted by some other States which have already presented their budgets.

For employers with pay-rolls in excess of the new maximum exemption level, the benefit of the exemption will continue as in the

past to be reduced on a sliding scale as set out in the following table.

	Pay-rolls will be exempt up to	The exemption will taper back to the minimum exemption over the pay-roll range	Minimum Exemption
1st January, 1977 .. ..	\$62,400	\$62,401—\$88,000	\$24,000
1st July, 1977 .. ..	\$83,200	\$83,201—\$112,800	\$24,000
1st January, 1978 .. ..	\$100,000	\$100,001—\$130,400	\$24,000

However, the minimum exemption will be subject to review before 1st January, 1978.

It is estimated that when these proposals are fully applied the concessions will be worth about \$12.5 million per annum to Queensland employers, mainly to small businesses.

**Mr. K. J. Hooper:** What about the poor old workers?

**Mr. KNOX:** If the honourable member was concerned about the workers, he would support these measures because they will provide employment for many of them.

#### *Workers' Compensation*

A further significant adjustment which I am able to announce to assist employers but which affects receipts in the Trust Funds and not Consolidated Revenue, is the proposed reduction of Workers' Compensation Insurance Premiums. Honourable Members may recall that, due to the need to make heavy provisions to cover the effect of rapid inflation on future claims outlays, it was necessary to increase these premiums by 25 per cent. as from 1st February, 1975, and to reduce merit bonus levels by 10 per cent. With some abatement in the rate of inflation and following a very satisfactory result in 1975-76 which enabled past deficiencies to be caught up, it is now possible to reduce premium rates by 10 per cent. and to restore merit bonuses to their previous levels other than for employers with less favourable claims experience.

Premium rates cannot be adjusted retrospectively and the 10 per cent. premium reduction must therefore apply from some future date. However, to ensure that as near as possible to a full year's benefit is obtained from the reduction in the current year a special general bonus will be also struck to cover the months already lapsed.

#### *Land Tax*

It is proposed that the exemptions applying to resident landowners under the Land Tax Act will be increased from \$20,000 to \$25,000 for town land and from \$60,000 to \$75,000 for land used for primary production purposes. Further, no tax is at present collected where the assessment would result in a payment of \$6 or less, and this figure will be increased to \$12.

These increases in exemptions and the new minimum payment figure will mean that the number of taxpayers will be reduced by approximately 400 from the number who paid tax in 1975-76.

#### *Road Transport Permit Fees*

Road Transport Permit Fees will be further reduced by 50 per cent. from 1st November to 33 $\frac{1}{3}$  per cent. of the level which applied when the Government first announced its policy of complete elimination.

This further reduction will reduce road transport operators' costs by \$1.2 million this year and \$2.1 million in a full year.

#### *Liquor Licence Fees*

The increase to 15 per cent. in Liquor Licence Fees for spirit merchants as provided in the 1975-76 Budget has proved to be a heavy burden on this category of vendor and it is proposed to adjust this rate in respect of sales by merchants on or after 1st November, 1976. It is also proposed to increase the general rate of licence fees to that applying in most other States and to bring the rate for Tavern and Spirit Merchants (Retail) Licences into line with the general charge.

Licence fees for spirit merchants for the current year will be based on 6 per cent. of actual sales for the period 1st July to 31st October, 1975, i.e., the period before the rate of 15 per cent. was brought into operation, plus 15 per cent. of actual sales for the period 1st November, 1975, to 30th June, 1976. For 1977-78 the fee will be based on 15 per cent. of actual sales for the period 1st July, to 31st October, 1976, and 12 per cent. of actual sales from 1st November, 1976, to 30th June, 1977. Thereafter the rate will be 12 per cent. of actual sales in the preceding year.

Fees on licensed victualler's licences and all other types of licences under the Liquor Act to which a percentage fee applies (with the exception of vigneron's licences), will be increased from 7 per cent. to 8 per cent. and fees payable on Tavern and Spirit Merchant's (Retail) Licences will be decreased from 9 per cent. to 8 per cent. These variations will be effective for two-thirds of the 1976-77 financial year.

It is estimated that there will be a net gain to Consolidated Revenue from these adjustments of \$1.2 million this year.

### *Rail Fares and Freights*

Rail Fares and Freights will be increased by 15 per cent. from 1st November, 1976 to compensate to some degree for the increased costs during the past year and in an attempt to limit further increases in the already large operating deficit of the railway system. This increase is more than justified in the light of cost increases, and the size of the operating deficit.

I would also make it clear that while inflation continues at relatively high rates, it will be necessary to continue to revise the level of fares and freights much more frequently than has been the case in the past.

In recognition of the particular problems of the beef industry, freight rates on cattle will continue for the present to be rebated at a rate which leaves them at virtually the same level as prior to 1st November, 1975. This represents a saving of some \$4 million to the beef producers in this financial year.

It is also proposed to exempt grain traffic from the increase in rail freights. It is in the interest of the Railways to retain this traffic and it would be inappropriate to continue to require grain growers to use the rail facilities at a significantly higher cost than would result if they were permitted to make other arrangements.

This concession will benefit the industry to the extent of approximately \$900,000 in the current financial year.

The net effect of the increased rail charges after allowing for the above concessions will be a gain to Consolidated Revenue of \$10.8 million in 1976-77.

### *Other Government Charges*

Other Government charges for services such as Titles Office Fees, fees charged by the Supreme Court, District Courts and Magistrates Courts, and fees for registration of factories, shops, business names, &c., will be revised in line with cost increases.

Increases in these charges will be effected as soon as practicable, depending on procedural requirements, and are expected to provide a further \$1.7 million in the current financial year.

### *Mining*

Mining activities continue to provide an increasing benefit to the State's revenues, both through royalty receipts and profits on rail hauls, in addition to the stimulus that the industry provides to the economy of the State through its employment and demand for goods and services. Mining royalties this year are expected to reach \$43.7 million, while profits on the railway haulage of minerals are expected to be to the order of \$47 million.

In the recent Commonwealth budget the first step was taken towards the staged abolition of the Commonwealth's export duty on coal. This move is applauded by the State Government for the effect it will have in providing encouragement for the initiation of further mineral developments, but I am nevertheless disappointed that it was not decided to withdraw the whole of the levy immediately.

**Mr. Marginson:** The Premier wanted the lot.

**Mr. KNOX:** The Labor Government imposed this levy in such a way that it prejudiced Queensland. This was the only State to be prejudiced by the levy, and we looked very closely at the prospect of fighting it on constitutional grounds. It was specially designed to favour some coal miners in New South Wales to the prejudice of Queensland. It kept a lot of Queenslanders out of work and prejudiced development in this State for three years.

The levy was an impost which discriminated iniquitously against the Queensland coal developers in favour of New South Wales producers whose exports attracted the lower level of duty. Section 51 of the Constitution prohibits taxes which are discriminatory as between the States and, while this levy may not technically have breached this provision, it did in my view offend the spirit of what is one of the basic stipulations for a workable Federation.

On behalf of the State Government I make it clear that there is no intention to vary the State's royalty provisions to take advantage of the variation in the Commonwealth duty.

Such reduction will, in fact, automatically increase State collections because the State royalty is based on the "at mine" value of coal which is increased by the withdrawal of the export coal levy in the same way that it was reduced when the levy was imposed by the previous Commonwealth Government, which was a socialist Government. No increase in the rate of royalty charges is contemplated.

In saying this, however, I do not want to be taken as committing the State to a static royalty policy for all time. The State has always had sovereign rights in respect of mineral royalties and such rights were not affected by the Commonwealth's entry into this field.

The State intends to retain and exercise these rights without regard to any similar imposition by the Commonwealth and it will be a matter for State Government in the future to determine changes in royalty rates in the light of its policy, budgetary necessities, and all factors applying at the particular time.

Furthermore, in the light of increased coal values, the State would have tended to negotiate higher rail freight profit margins on coal irrespective of any action taken by the Commonwealth in relation to its export coal

lines. I would also make it clear that the State will not regard itself as being inhibited in this by the statement in the Commonwealth Budget Speech that the State should not take advantage of the Commonwealth's reduction in its recently applied and most contentious export coal levy.

## EXPENDITURE

As I have already stated, expenditure allocations generally provide for the continuation of existing levels of service and, consistent with this principle, increases have been provided in the various forms of assistance to organisations and individuals with the object of maintaining their real value.

In mentioning in broad terms the more significant items affected by this policy, I would refer Honourable Members to the statement in the printed document for specific details of the increased benefits.

- Allowances to Student Teachers and other State Government scholarship-holders will increase with retrospectivity to 1st July, 1976.
- Per capita grants to non-Government schools will be increased from 1st January next.
- Textbook allowances for students in Grade 9 will be equated with the Grade 8 grant in recognition that requirements for Grade 9 students are reasonably comparable with those in the lower grade.
- School Bus operators will benefit from a lift in rates of payment from 1st November, 1976.
- Allowances for conveyance of pupils to school by private vehicle, which have not been increased since January 1975 will be substantially lifted from January next.
- Per capita allowances to State High Schools, introduced in January 1974 to replace the "General Purpose Fee" will be increased from 1st July, 1976.
- The schemes currently in vogue whereby grants are made to schools for the purchase in bulk of basic materials for Home Economics and Manual Arts students will be extended as from 1st January next to embrace basic materials for arts courses.

- Because of the particular needs of Special Schools, grants will be made to such State Schools for the purchase of materials and equipment.
- Additionally, to cater for the increased number of remedial services and units for the physically handicapped in special schools, a further 42 Teachers' Aides will be engaged in 1977.

- The rate of subsidy to Home Nursing Services will be increased in line with the increases that have occurred in nurses' salaries and the number of nurses to be subsidised will be lifted in line with the increase in staff establishments approved for State hospitals.

- There will be substantial increases in payments to Foster Parents and Denominational Homes in respect of "children in care" from 1st November next.

- In keeping with Government policy, wages paid to Aborigines employed on State and Church communities will be further increased from 1st July, 1976, and again from 1st January, 1977.

- Allowances payable to Jurors, Witnesses and Interpreters at criminal and civil proceedings will be upgraded in line with salary and wage increases since they were last adjusted in August 1975.

- The limits of the numerous grants and endowments paid by the State Government to various organisations catering for charitable and community welfare needs will be increased so that the real value of the assistance is maintained.

Organisations benefiting from this include the Royal Flying Doctor Service where the endowment limit will increase from \$200,000 to \$230,000, the Queensland Spastic Welfare League and the Queensland Sub-normal Children's Welfare Association where the limit will rise from \$250,000 to \$287,500 in each case.

The Freedom from Hunger Campaign, Austcare, Save the Children, Life Line and many other such charitable bodies will have their grants similarly increased.

- Grants towards operating costs of Cultural Organisations are also to be increased along similar lines and a total of \$2 million will be paid to these bodies in 1976-77.

## INCREASES IN STATE GOVERNMENT ASSISTANCE

Allowances to Student Teachers and State Government Scholarshipholders	Living at Home		Living Away		Effective from	Estimated Cost to Consolidated Revenue	
	From Per week \$	To Per week \$	From Per week \$	To Per week \$		1976-77 \$	Full Year \$
1st Year ..	28.50	33.00	40.00	46.00	1st July, 1976	1,570,000	1,570,000
2nd Year ..	28.50	33.00	40.00	46.00			
3rd Year ..	34.50	40.00	46.00	53.00			
4th Year ..	34.50	40.00	46.00	53.00			
5th Year ..	40.00	46.00	51.50	59.50			
6th Year ..	57.50	66.50	69.00	79.50			
Mature age ..	57.50	66.50	69.00	79.50			
Married Males	69.00	79.50	69.00	79.50			





restricted to the numbers approved at 30th June, 1976. This same principle has been applied generally to all areas of State Government employment but with due regard for particular needs such as staffing of new or expanded facilities recently provided.

Provision has been made, however, for under-strength positions to be taken up to establishment limit levels and this has allowed for significant increases in critical areas such as police, teaching and health services as I will explain later.

As a further means of restricting Government expenditure, Departmental motor vehicle fleets will generally be limited to current levels and Departments will be required to carefully examine procedures for the allocations of vehicles so as to ensure that the fullest possible use is obtained from the existing fleet.

Limitations and restrictions have been imposed on Departmental public relations expenditures and air travel.

In short, except in the few areas adverted to, in which the existing services are to be increased, allocations of funds to Departments are at a level which is the minimum necessary to provide a continuation of services in 1976-77 reasonably equivalent to the standard achieved during the previous financial year.

Due to the continued increase in cost levels, this, in itself, necessitates a substantial increase in allocation over and above the 1975-76 figure. Provision of \$136.9 million has had to be made for the cost in 1976-77 of Award and Basic Wage increases granted in 1975-76. Further increases will occur in 1976-77 and, as I have already mentioned, a provision of \$83.5 million has been made for this purpose. The extra cost to employ for a full year additional staff employed for part only of 1975-76, and the escalation of general contingencies provisions have also resulted in a need for substantially increased allocations in 1976-77.

### *Education*

The total allocation to the Department of Education this year is \$396.7 million, \$67.6 million or 20.5 per cent. above the 1975-76 allocation.

This increase results in the main from the cost of 1975-76 Award and Basic Wage increases, the additional requirement of the full year's cost of increased numbers of teachers and other staff employed for only part of 1975-76, and a provision for the increase in costs generally during the last year. However, it also provides for a further moderate level of improvement in education services in accordance with the continuing effort to improve educational standards that has been a feature of the policies of this Government.

Provision has been made for a net increase of 486 Primary, Secondary, Pre-school and Special School Teacher staff establishments to a maximum of 20,065 in February, falling off to 19,714 by June, 1977.

Compared with the numbers provided for in June 1976, this represents a 2.2 per cent. increase which relates favourably to the increase in real terms said to have been provided by the Commonwealth in its allocation of funds for education.

The increased numbers will enable new facilities to be staffed and further steps to be made towards the desired pupil/teacher ratios, and will provide some improvement in the position regarding administrative and specialist teachers and in-service training.

In recognition of the special needs of Technical Education, an increase of 66 teachers, or 7.5 per cent. to an approved establishment of 946 has been provided for. This is in line with the rate of real improvement announced by the Commonwealth relative to its allocations for Technical Education, and will permit the establishment of some new courses as well as cater for the further requirements of the now almost fully implemented Block Release Training Scheme for apprentices.

Funds for recurrent expenditure purposes provided by the Commonwealth on the recommendations of the Schools Commission and the Commission for Technical and Further Education and for Pre-schools are expected to total \$38.7 million. Although this represents less than 10 per cent. of the total allocation to the Department, the funds are of considerable assistance to the State in carrying out its policies. However, included in this figure is a component of \$6.3 million relative to State pre-schools and community kindergartens which is only a tentative figure due to lack of knowledge of the Commonwealth Government's intentions regarding funding beyond December next.

As well as affecting the Government in relation to State pre-schools the uncertainty in this matter also affects community kindergartens which are funded by the Commonwealth on the same basis as State pre-schools.

In order to allow community kindergartens to plan ahead the State undertakes that qualifying kindergartens will continue to receive Government assistance to a level which is at least equal in real terms to what was being provided by the State prior to the Commonwealth's entry into this field. In cash terms, this means that the certain minimum subsidy is \$9,340 per annum per approved unit on present day costs.

The strong emphasis that has been placed on improvements in the education system in Queensland in the last ten years is illustrated in the graph on Page 16 of the printed Statement. This shows that there has been real growth of 161 per cent. in a period when other State budget expenditures have increased by 65 per cent. and should be an enlightenment to those who see fit to level criticism on the Government's efforts in this sphere.

*Hospitals and Health Generally*

Here again the budget provides for a continuation of the improvements in service which were accelerated dramatically by the provision of Commonwealth funds under the Medibank arrangements.

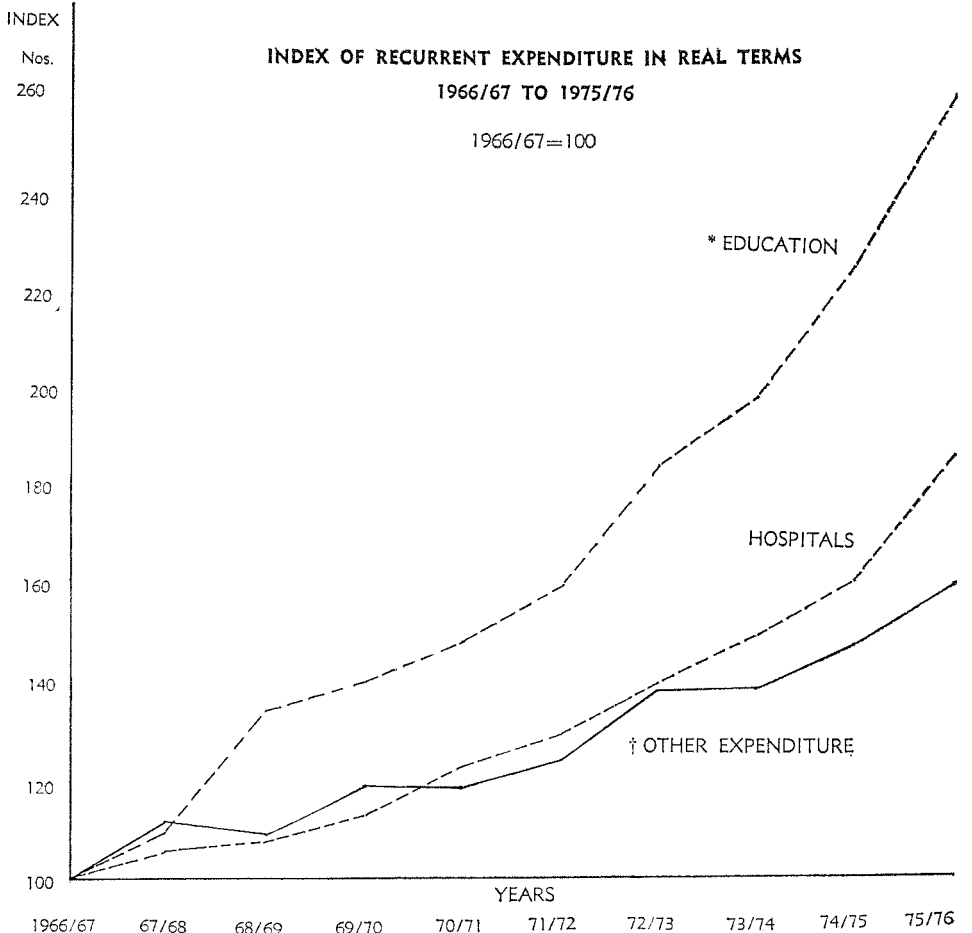
Total expenditure for hospital operation and maintenance as provided for in the Trust and Special Fund Estimates is \$264.1 million. This includes the operating costs of the Mater Public Hospital which are now included in the Government accounts. The comparable provision last year was \$218.4 million and the increase of \$45.7 million or 21 per cent. will permit services to be maintained at their present enhanced level and new facilities to come into operation as they are completed.

Provision has been made for an increase of 1,349 or 6.6 per cent. in the staff establishment of State hospitals bringing it to a total of 21,626 nurses, doctors and other staff. Taking the understrength position into account, this approval effectively permits the recruitment of some 2,600 additional staff—an increase of over 13 per cent.

The graph on Page 16 of this Statement depicts that the growth in real expenditure in hospital services over the last ten years has been 87 per cent. in comparison with 65 per cent. in other budget expenditures. The accent that has been placed on this service in the last three years as a result of Government policies is clearly evident.

In addition to the amount provided towards hospital operating costs, \$20 million has been provided from Consolidated Revenue Fund to supplement the new and expanded Hospitals Capital Program.

In the Health services generally, current levels will be maintained. However, the predominantly Commonwealth-funded Community Health and School Dental Services programs will be expanded to the extent that funds permit. Whereas all but a small portion of the School Dental Services program was previously funded by the Commonwealth, the State is now required to contribute an additional 10 per cent. of the cost of the program.



\* Education excluding Tertiary expenditure. † Other expenditure also excludes expenditure on Railways, Natural Disaster, Tertiary Education and certain abnormal items.

On present estimates, expenditures from Consolidated Revenue on these two services will be \$16.5 million which, with the further allocations of \$1.1 million from the Loan Fund, will provide total programs of \$17.6 million.

Although the Commonwealth has, as from 31st December next, withdrawn from the Tuberculosis Campaign which it now funds fully, the campaign will be carried on for at least the balance of the current year at State cost.

#### Police

Whereas there is to be no increase in approved police establishments, funds are provided to enable the Police Department to recruit a further 228 personnel to remove the deficiency between actual strength at 30th June, 1976, and the approved establishment. This will mean an increase of 5.6 per cent. in numbers.

Recruitment of this number of personnel by the Department would enable it to make progress in providing additional beat patrols, increasing the number of detectives in the Fraud, Drug and Homicide Squads, reducing shortages of officers in country and metropolitan stations and providing additional men for 24 hour service at certain centres.

#### Railways

I have already referred to the heavy net cost to Consolidated Revenue of the Railway services which has created a problem in the preparation of budgets over a long period of years.

I am greatly concerned about the continually increasing burden that the Railway operation is imposing on the State's finances. The operating costs continue to increase year by year at a rate out of proportion to cost increases generally, due largely to the rapid escalation in the costs of steel, fuel and other materials used by the service.

Whilst the rate of increase in the overall operating losses has been contained to a degree in recent years by the benefits of dieselisation and increasing profits from the developing mineral haulages, the benefits from the former have reached their maximum level and the rate of increase in mineral haulages has slowed.

In 1975-76 the operating loss was \$70.7 million. Without the profit from mineral hauls and taking to account the general debt costs, the real loss on general operations was some \$135 million.

For 1976-77 even with the effect of last year's and this year's fares and freight increases and assuming the rate of salary and wage increases will be comparable to last year's, the operating loss will still be to the order of \$70 million and the real loss on general operations in excess of \$140 million.

#### Primary Industries

The many services and concessions provided to primary producers by the State and

through schemes of assistance that are jointly funded by the Commonwealth and State will continue.

Over and above the cost to Consolidated Revenue of operating the Primary Industries Department itself, including costs of administration of its various divisions, operation of research stations, research programs and field services of various types, laboratory services, etc., for which some \$23 million has been provided, assistance and concessions available under special schemes of assistance to primary producers total in excess of \$50 million this financial year as follows.

- \$20.1 million for loans from the Agricultural Bank
- \$7.2 million for concessional loans to Beef Cattle Producers
- \$4.0 million for Rural Reconstruction loans
- \$3.8 million for loans for Dairy Adjustment purposes
- \$0.6 million for loans to meet commitments under the Fitzroy Brigalow Land Development Scheme
- \$0.9 million for Farm Water Supplies assistance
- \$4.0 million from Consolidated Revenue for rebates on the cost of rail transport of beef cattle
- \$0.2 million for Dairy Pasture Subsidies
- \$7.0 million from Consolidated Revenue towards the cost, estimated at \$8.8 million, of veterinary services provided through the Stock Fund
- \$0.7 million for Soil Conservation subsidies and work
- \$3.6 million for Tuberculosis and Brucellosis eradication and compensation schemes
- \$0.5 million for subsidies towards the cost of cattle dip chemicals.

I have already made mention of the fact that the Government has decided that beef cattle producers will continue to be insulated from the effect of the rail freight increases while the industry continues to be faced with serious marketing problems. The concession which was to have been reviewed in November will now continue for the remainder of 1976-77 unless there is substantial improvement in returns during that time.

For similar reasons proposed increases in Stock Assessment levies have been withheld and, as a further measure of assistance to beef producers, it has been decided that the levy on cattle which presently stands at 15.5 cents a head will be discounted to 10 cents for 1976-77 thus saving the people concerned close to a half million dollars.

By agreement between the State and Commonwealth Governments a new scheme of compensation for brucellosis-infected cattle is being instituted. A compensation scheme for tuberculosis reactors has been in vogue for some time.

Under the revised arrangements, the Commonwealth will meet 50 per cent. of the net value of compulsory slaughtered tuberculosis-infected cattle and 75 per cent. of the net value of those destroyed because of brucellosis infection. The State Government will meet 25 per cent. of the net value in each case—thus the owner will be required to bear only 25 per cent. of the cost of tuberculosis reactors in his herd.

These schemes, coupled with extensive detection and eradication programs, should provide the means of greatly reducing the incidence of these diseases in the industry.

#### Local Government

Notwithstanding the substantial improvements to the financial position of Local Government Authorities generally resulting from the new increased grants made under the arrangements whereby the Commonwealth allocates a share of personal income tax to the States for distribution to local authorities, the State Government will maintain its assistance to these bodies at no less a level than in the past.

\$40 million has been set aside from the Consolidated Revenue and Loan Funds for loans and subsidies. This compares with \$34.4 million initially provided for this purpose last year. \$5 million has again been allocated this year from State funds for distribution as revenue type grants to the Councils.

\$1.9 million has been allowed for subsidies to Local Authorities' library services.

The aggregate amount receivable by Queensland local authorities in 1976-77 under the new arrangements with the Commonwealth Government is \$24.2 million, which represents an increase of 75 per cent. on the amount of \$13.8 million made available last year and distributed to local authorities on the recommendation of the Commonwealth Grants Commission.

The amount available for the current year has been allocated after the receipt of recommendations from a committee appointed for this purpose, including representation from the Queensland Local Government Association. The work of this committee was undertaken as quickly as possible in view of the need to give local authorities early funds during the current financial year. The authorities have already been advised of their allocations and the amounts will be paid to them as soon as the funds have been received from the Commonwealth. Because time limitations did not permit a detailed empiric study of individual local authorities needs the allocations are largely related to those previously recommended by the Commonwealth Grants Commission.

It is proposed to appoint a statutory State Grants Commission to make recommendations concerning the distribution of these moneys in future years.

The amount available under the arrangements with the Commonwealth will increase

from year to year in accordance with the increase in personal income tax collections during the preceding financial year.

The Treasury will again further assist the Authorities by making investible funds at its disposal available towards the raising of their borrowing programs.

#### Sports, Youth and Recreation

With the successful advent of Soccer Pools providing expectations of \$2 million from this source for Sport, Youth and Recreation purposes, and with the maintenance of a Consolidated Revenue contribution of \$2.4 million, a total of \$4.4 million is expected to be available in 1976-77 for these purposes.

With this greatly enhanced funding, the schemes of assistance that have been in operation for a number of years will be continued and extended.

Guidelines for the enhanced schemes are presently being formulated and will be promulgated as soon as practicable.

#### LOAN, TRUST AND SPECIAL FUNDS

I will not in the course of this address dwell at any length on details of the capital expenditures and other provisions from the Loan, Trust and Special Funds.

However, the overall program from these sources constitutes the major proportion of the total State expenditure and is of the utmost importance to the continued development of the State and its facilities.

For this reason, I have arranged for the inclusion in the printed Statement of a summary of the position overall with comment in respect of the major functional areas.

This appears as Appendix A and I commend it to Honourable Members for examination.

#### CONCLUSION

This Budget, for reasons adequately explained, does not include an array of dramatic new initiatives. This would be neither possible nor appropriate in the financial and economic circumstances of these times.

It does, however, provide for a balanced and equitable distribution of the funds that are available to ensure that services are continued at at least the level established in 1975-76 with some limited further expansion in vital and pressing areas and for further significant concessions in certain areas of need.

I believe that Honourable Members and other students of this Statement and its associated documents will recognise that they are the culmination of a great deal of close research and deep consideration of the requests of Departments and other needs of the State in the light of determined Government priorities and constraints necessarily arising from current circumstances and a desire by the Government to present a program for the year that is in

keeping with the need to contribute as much as possible to the arrest of inflation and the reinstatement of an acceptable employment position in this State.

It gives me a great deal of satisfaction to be able to present under the current difficult circumstances and without major additional taxation imposts but with certain valuable concessions, a Budget which consolidates the State's position in areas of significant developmental import, allows for constrained expansion in areas of special need and ensures that there is no degeneration in services to the public generally.

**Government Members:** Hear, hear!

**Mr. KNOX:** I move—

"That there be granted to Her Majesty for the service of the year 1976-77 a sum not exceeding \$127,953 to defray Salaries—His Excellency the Governor."

## APPENDICES TO FINANCIAL STATEMENT

### APPENDIX A

#### LOAN FUND

In June 1976, the Australian Loan Council approved a capital works loan and grant program of \$1,356 million for the six States in 1976-77. Of this amount, Queensland received an allocation of \$181.1 million or 13.4 per cent. of the total. The State's share comprises \$120.7 million as loan borrowings and \$60.4 million as non-repayable grant.

This allocation represents only a 5 per cent. increase on the \$172.4 million approved for the year 1975-76 which, in the face of a building cost increase of some 19 per cent. constitutes a reduction in work capacity of nearly 12 per cent.

The loan and grant allocation will be supplemented by loan repayments and other receipts credited to the State's Loan Fund. These are estimated at \$16.6 million for the year. Additionally, as in the past three years, certain Commonwealth funds will be channelled through the Loan Fund. These funds this year are estimated at \$32 million.

The total Loan Fund program for 1976-77 therefore allows for expenditure totalling \$229.7 million, only \$12.5 million more than the \$217.2 million provided for in the 1975-76 Budget.

#### TRUST AND SPECIAL FUNDS

Expenditure from the Trust and Special Funds in 1976-77 is estimated at \$1,801.5 million while receipts are estimated at \$1,684.5 million. This compares with provisions of \$1,481.3 million and \$1,451.2 million respectively in 1975-76.

Trust and Special Funds comprise trustee accounts and construction and other special purpose funds. Full details are available in the Estimates.

#### SEMI-GOVERNMENTAL AND LOCAL BODY DEBENTURE BORROWING PROGRAM

The June 1976 meeting of the Australian Loan Council approved a Semi-governmental Debenture Borrowing Program of \$177.6 million for Queensland in 1976-77. This compares with the 1975-76 allocation of \$149.8 million, an increase of 18.6 per cent.

The Loan Council also approved that the limit on the borrowings of smaller local bodies outside of the Semi-Governmental Debenture Borrowing Program be increased from \$700,000 to \$800,000. These smaller bodies raised \$54.7 million in 1975-76 and their program for 1976-77 is expected to be to the order of \$63 million.

Details of the major Semi-Governmental Debenture Borrowing allocations for 1976-77 are shown in Appendix B.

#### CAPITAL WORKS

The capital works expenditures of the State Government and its instrumentalities are channelled primarily through the Loan Fund and the Trust and Special Funds. Moneys are derived from the State Government's loan allocation, loan repayments, specific purpose grants from the Commonwealth, certain debenture borrowings, Consolidated Revenue and other income to Trust and Special Funds. Expenditures are also incurred from funds of Government instrumentalities whose transactions are not recorded within the Government accounts.

The overall Governmental and Semi-Governmental Loan Council allocations have increased by only 11.3 per cent. compared with cost increases in the capital works area of approximately 19 per cent. Concurrently the Commonwealth has reduced its outlays on Section 96 Specific Purpose Capital Grants. There will therefore be a substantial reduction in the State's overall capital works effort.

In considering its priorities and commitments in the light of these restrictions, the Government has aimed to maintain the impetus in hospital and school building programs and, at the same time, provide to the extent that funds permit for the needs of other programs under way in the State. As the year progresses the State Government capital program will be supplemented by any further funds that become available by savings or improvements in receipts.

#### Health

Because of the Government's policy of accelerated development and improvement of the State's hospital and health facilities and the availability of funds for the purpose from sources other than the Loan allocation, the impetus that this development program received last year will continue with new allocations of funds totalling \$73.1 million. This compares with \$55.8 million provided last year. The funds will be derived from debenture borrowings of \$19.4 million, a Commonwealth Government grant of \$17.0 million for hospital purposes, a special grant

of \$20 million from Consolidated Revenue, \$5.8 million from the Loan Fund, Commonwealth funds totalling \$7.7 million for the Community Health and School Dental Services programs and allocations totalling \$3.2 million from Consolidated Revenue for various subsidies and to meet certain commitments under the Mater Redevelopment Program instituted some years ago.

These funds will be directed to further development in the following areas:—

	\$m
Public Hospitals throughout the State .. .. .	53.6
Special Hospitals, Nursing Homes, Maternal and Child Health, etc.	8.7
Community Health and School Dental Services .. .. .	8.8
Subsidies on Senior Citizens Centres and Homes for the aged .. .. .	2.0

The importance that the Government places on this program and the consequent emphasis that it has received is demonstrated by the increasing level of capital funds made available to the Department in recent years—

1973-74 .. .. .	\$12.1m
1974-75 .. .. .	\$20.1m
1975-76 .. .. .	\$55.8m
1976-77 .. .. .	\$73.1m

Brief details of the major projects in hand or commencing in 1976-77 follow. The redevelopment program is a very extensive one and many new and extended services are coming progressively into use. The aim of the Government is to ensure that the people of Queensland have available to them health facilities of a standard second to none in Australia.

#### PUBLIC HOSPITALS

	Expenditure Programmed 1976-77 \$000
<b>Brisbane—</b>	
<b>Royal Brisbane—</b>	
Block 7—a 15-storey building comprising extensive new and additional facilities ..	12,500
Rehabilitation Medicine Department etc.—commenced in April 1976—will provide facilities for Physiotherapy, Occupational and Speech Therapy and other paramedical services .. .. .	118
<b>Princess Alexandra—</b>	
Extensions to Administration Wing—an additional six floors to provide for a variety of specialised services .. .. .	2,150
New Psychiatric Ward—a new multi-storey building to provide additional administrative staff, medical and paramedical facilities ..	3,995
<b>Expenditure Programmed 1976-77 \$000</b>	
Extension of X-ray Department—a two stage scheme to provide additional X-ray facilities .. .. .	1,298
Dialysis Unit .. .. .	859
Mount Gravatt—Stage 1 of a new major complex to service the southern and western sections of the Brisbane area .. .. .	1,512
<b>Prince Charles—</b>	
New Pathology Building—a multi-storey building commenced in March 1976 ..	3,220
Neuro-Psychiatric Observation Ward—a new building to accommodate acute psychiatric patients ..	1,031
<b>Mater Public—</b>	
Further progress on approved redevelopment and for sundry additions and renovations to facilities and buildings .. .. .	2,000
Atherton—New ward block ..	1,752
Innisfail—New Maternity Block incorporating nurses training school and a dental clinic .. .. .	368
Cairns—Site preparation and commencement of major six-storey building ..	1,300
Gold Coast—Multi-storey development to provide additional accommodation and facilities .. .. .	7,050
Boonah—New ward and laundry complex .. .. .	1,110
Ipswich—New ward block ..	3,619
Mareeba—Redevelopment to provide 90 beds overall ..	384
Maryborough—Upward extension to provide additional facilities and accommodation .. .. .	1,549
<b>Redcliffe—</b>	
New six-storey ward block ..	4,595
Extension of maternity section .. .. .	215
Toowoomba—New medical block to provide for 200 beds and other facilities ..	1,400
Townsville—Stage 1 of new Welfare and Guidance Centre .. .. .	660
Weipa—Additional accommodation, paediatric ward, etc.	1,019
Yeppoon—New hospital ..	1,408
Other Minor Projects—various hospitals (app.) .. .. .	8,000

Expenditure  
Programmed  
1976-77  
\$000

## OTHER HEALTH PROJECTS

	Expenditure Programmed 1976-77 \$000
Wynnum Nursing Home—Living accommodation for 84 frail aged and 30 confused aged persons with medical facilities and 72 bed ward accommodation	2,250
Wolston Park Special Hospital—New Admission and Treatment Unit to accommodate 160 patients and provide admission, assessment, treatment, convalescent and other facilities . . . .	1,814
New 40 bed Hospital Ward and Clinical Block . . . .	523
Rockhampton Hospital—Accommodation for Intellectually Handicapped—Officially opened on 13th September, 1976 . . . .	122
Baillie Henderson Hospital, Toowoomba—New 80 bed ward accommodation for intellectually handicapped, nearing completion . . . .	200
Basil Stafford Centre, Wacol—A complex of four villas for intellectually handicapped, to accommodate 96 residents . . . .	1,103
Community Health Centre, Inala—To provide comprehensive primary medical and associated services . . . .	1,800
Alcoholism Treatment and Assessment Centre, Roma St., Brisbane—A seven-storey building with 60 beds . . . .	1,635
Maternal and Child Health Home, St. Paul's Terrace, Brisbane—Overall redevelopment . . . .	1,200

*Education*

The total allocation of capital funds for State schools and technical colleges comprising State funds of \$36.7 million and Commonwealth Government grants of \$26.8 million is \$63.5 million which represents an increase of 20.9 per cent. on the comparable 1975-76 provision of \$52.5 million.

Included in the allocation from State funds are special additional provisions totalling \$1,750,000 for Teacher Housing and septic and sewerage installations at schools, plus a further similar amount for land acquisitions.

To fully meet the requirements of the Education service in terms of classroom accommodation, administrative and staff facilities, septic and sewerage installations, etc. is beyond the capacity of the State's resources, particularly in a year of very stringent Loan Fund provision.

Commonwealth funds are of considerable assistance in this regard. However, the major portion of the funding must be found from State sources and the substantial increase of \$8.2 million or 28.7 per cent. in the allocation from State funds is indicative of the continuing high priority given to the needs of the education sector.

The following works are programmed for 1976-77:—

## New High Schools—

Kalkadoon (Mt. Isa, Kingston, Moura, Moranbah, Springwood and Normanton (secondary department).

Additional High School Accommodation—Craigslea, Gladstone, Glenmore, Kepnock, Mt. Isa, Murgon and Warwick.

## New Primary Schools—

Algester, Brackenridge West, Bunyaville West, Berrinba East, Caloundra North, Kirwan, Riverview and Springwood (Dennis Road).

## Replacement Primary Schools—

Coolangatta, Chillagoe, Magnetic Island, Mt. Molloy and Mornington Is.

## Pre-Schools—

A further 51 at various centres.

## Special Schools—

New or additional accommodation at Brisbane (Narbethong), Cairns, Rockhampton North, Royal Brisbane Hospital, Mackay, Mt. Isa, Toowoomba, Clontarf Beach and at Bardon (for in-service Training).

## Technical Education—

Work will continue on the Bardon In-Service Training Centre, the Motor Trades, Upholstering and Boat Building Block at Ithaca, and the Fitting and Turning, Boilermaking, Plumbing, Carpentry and Joinery Block at Cairns.

Work will commence on the Kelvin Grove Hall of Residence.

*Housing*

Total funds available for housing purposes in 1976-77 are \$113.4 million compared with \$97.4 million provided in 1975-76. This money arises from the Commonwealth allocations of \$37.4 million for Welfare Housing and \$16.9 million as special grants for Housing for ex-servicemen and other purposes, revolving moneys within the relevant Trust Funds \$50 million, State Loan Fund and Debenture Loan allocations of \$3.8 million and Fund balances of \$5.3 million.

The Commonwealth allocation for Welfare Housing, \$37.4 million, has not been increased in the last two years despite strong representations and arguments by the State for an allocation more appropriate to its needs. On a population basis, Queensland's share of the total allocation at a little under 10 per cent. is completely disproportionate but the Commonwealth has continued to hold firm to the inequitable basis on which it makes its allocation.



After allowing for administration and maintenance costs and repayment of interest and redemption to the Commonwealth, there remains \$72.0 million for actual construction and purchase of houses and land acquisitions. This compares with \$61.8 million available in last year's budget provisions.

Unless and until the Commonwealth Government changes its attitude, I see little prospect of a substantial reduction in the long list of people awaiting finance from this source for home purchases or in the long list of people awaiting the availability of rental homes from the Queensland Housing Commission.

### Electricity

A reliable and reasonably priced supply of electricity is essential to the continued industrial development of Queensland. The Electric Authorities and the Government will continue to maintain a program that ensures that such a supply is available to meet demands as they arise.

Expenditure on further development in this sphere in 1976-77 is estimated at \$161 million.

These funds will include debenture borrowings \$72.7 million, loans from the Commonwealth under the Gladstone Power Station Agreement, \$26 million and some \$62 million from the internal revenues of the Electric Authorities, capital contributions from consumers and State Government capital subsidies.

The major project is the Gladstone Power Station.

Further details of this and other projects are shown below.

	Expenditure Programmed 1976-77 \$000
Gladstone Power Station	
Completion of first two units, further progress on next two and commencement of units 5 and 6 .. .. .	59,400
Wivenhoe Pumped Storage Hydro-Electric Scheme	
Initial work on reservoir and access road .. .. .	2,800
Interconnection—Central-Southern Queensland Network and North Queensland	
Further progress on 380 kilometer high voltage transmission line .. .. .	16,000
Transmission Line to Hughenden	900

### Roads

The Main Roads Department will have available from all sources funds totalling \$181.9 million. Funds to be provided from the Commonwealth under the National Roads and Roads Grants Acts will amount to \$90.7 million. This is only \$1.7 million or less than 2 per cent. more than last year's provision.

Motor Vehicle Registration Fees will increase from \$49.4 million allowed for in 1975-76 to \$56.5 million in 1976-77 and thus represent the major component of the overall increase in available funds.

Here again it is quite apparent that the increase of 9 per cent. in available funds represents a reduction in work capacity when measured against the cost increases that have occurred.

### Urban Public Transport

The Commonwealth Government's stated policy of meeting only its legal commitments under existing legislation and its consequent refusal to approve any new projects either this year or last has thrown a cloud over the prospective rate of progress on the full program.

\$14.7 million has been provided for expenditure this year, including \$11 million anticipated to be available from the Commonwealth as its share of estimated expenditure to 30th June, 1977.

Whether or not we receive this amount from the Commonwealth depends on its agreeing to meet its share of cost escalations and approving reallocation of funds between projects.

Depending on the results of representations to the Commonwealth in this regard, the State may have to somehow find the funds to "go it alone", albeit at a reduced rate, to achieve a viable system in a reasonable period of time.

### Irrigation and Water Supply

An increase of 14.7 per cent. or \$2.2 million to \$17.5 million in the State Loan Fund allocation will provide a level of works in 1976-77 in line with the 1975-76 program. Included in this are special allocations totalling \$1.5 million to be applied towards maintaining some progress on the Monduran and Kinchant Dams.

These two projects were undertaken on the basis of full Commonwealth funding. However, the revised estimates of cost are now some \$16 million in excess of the amounts that the Commonwealth has agreed to provide. Despite strong representations by the State for further funds to meet the shortfall, the Commonwealth has so far refused and the State is now in a position of having to provide the funds from its own limited resources or stop work on the dams, cancelling contracts and throwing a substantial labour force on the unemployment list.

Further details of works programmed for this year are shown below:— \$000

Bundaberg Scheme—Complete installation of four pumps in Monduran Dam Pumping Station; further work on Gin Gin Channel; completion of Burnett River Barrage to fixed crest level; continued development of Gooburrum system and commencement of resumptions for Woongarra system .. .. .	3,800
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	\$000	A summary of the major projects follows:—	Expenditure Programmed 1976-77 \$000
Emerald Scheme—Completion of works serving farms on left bank of Nogoa River and commencement of works to supply the right bank .. .. .	1,000		
Eton Scheme—Continued progress on construction of Kinchant Dam and channel works ..	1,414	Lucinda Harbour—Construction of third bulk sugar storage shed, off-shore wharf and facilities ..	19,000
Burdekin Scheme—Continued progress on construction of Clare Weir—expansion of supply works .. .. .	2,950	Port of Brisbane— Fisherman Island Development—new Port of Brisbane ..	4,000
Callide Dam—Further work on channel from Dam to Kroombit and Kariboe Creeks .. ..	1,200	Other works .. .. .	897
Glenlyon Dam—Completion of construction of dam and associated works (joint venture with New South Wales Government)	1,100	Hay Point Harbour— Construction of tug harbour ..	1,750
Baralaba Weir—Completion of weir .. .. .	55	Other Works .. .. .	200
Cania Dam—Resumptions, access road and preliminary site work	650	Weipa Harbour— Development dredging .. ..	1,250
Giru Weir—Preparatory work and materials .. .. .	260	Equipment .. .. .	980
Pie Creek Diversion—Completion of project .. .. .	280	Smallcraft Facilities— Construction and maintenance of jetties, boat ramps, mooring facilities, etc. .. ..	1,760
St. George Area—Completion of outstanding minor works ..	300	Other Works .. .. .	1,764
Theodore Elevated Water Tower—Construction .. .. .	109	<i>Other Major Items</i>	

### Railways

\$40.4 million has been provided. This comprises \$29.8 million from State Loan Funds, \$4.6 million from the mining company for further work on the upgrading of the line servicing the Phosphate Hill development and \$6.0 million in Fund balances. This compares with \$63.3 million provided in 1975-76, which, however, included \$29.9 million for the upgrading of the line to Phosphate Hill and the acquisition of relative rolling stock in respect of which only \$7.9 million is required this year.

Expenditure from State Loan funds on Railway works generally, excluding special projects, is expected to be \$26.5 million compared with \$24.9 million provided in 1975-76, which increase compares favourably with the increase in the State Government Loan allocation.

### Harbours and Marine

An overall program of \$31.6 million will be mounted, the major component being the construction of further bulk sugar handling facilities at Lucinda Harbour funded by the Sugar Board at a cost of \$19 million this year.

Funds totalling \$4 million have been provided towards the cost of the new Brisbane Port project at Fisherman Islands.

Computer Replacement—Initial expenditure relating to the new State Government computer installation scheduled to become operative in July 1977 .. ..	300
Flood Mitigation—Completion of Enoggera Dam enlargement; dredging of Breakfast Creek in Brisbane and further works on Proserpine River .. ..	4,053
Development of Industrial Estates	5,035
Forestry—Establishment and maintenance of forestry plantations and associated facilities ..	14,636
Cultural Development—Site acquisition and development for Brisbane Cultural Centre, subsidies on cultural projects of Local Authorities and Community Cultural Groups, etc. ..	4,443
Police Headquarters Building—Further progress payments ..	4,900

### APPENDIX B

#### MAJOR DEBENTURE LOAN ALLOCATIONS FOR 1976-77

	\$
State Electricity Commission ..	59,050,000
(Includes \$29,769,300 for Gladstone Power Station)	
Brisbane City Council .. ..	34,000,000
(Water Supply, Sewerage, Roadworks, &c.)	

	\$		\$
Southern Electric Authority of Queensland . . . . .	13,650,000	Johnstone Shire Council . . . . .	1,800,000
(Electricity capital works)		(Sewerage Scheme, Innisfail, North Area Water Supply Improvements, Stage 2, &c.)	
North Brisbane Hospitals Board (Casualty and Outpatients Department, &c.)	8,000,000	Gladstone City Council . . . . .	1,800,000
Co-ordinator-General . . . . .	7,000,000	(Sewerage Scheme, Clinton, &c.)	
(Wivenhoe Dam Project)		Caboolture Shire Council . . . . .	1,650,000
Gold Coast City Council . . . . .	6,600,000	(Includes Burpengary-Narangba Water Supply and Caboolture Water Supply Augmentation, &c.)	
(Sewerage Works, Flood Mitigation Works, Street Improvements, &c.)		Brisbane Port Authority . . . . .	1,500,000
Gladstone Area Water Board (Towards cost of further major Water Supply Augmentation—Stage 1)	5,975,000	(Fisherman Islands Development)	
Townsville City Council . . . . .	5,400,000		<hr/> <hr/> \$177,575,000
(Ross River Dam and associated Water Supply Augmentation and Distribution, &c.)			
Ipswich City Council . . . . .	3,900,000		
(Sewerage Works, Water Supply Augmentation, Ipswich Community Centre, &c.)			
Maroochy Shire Council . . . . .	3,800,000		
(Sewerage Scheme for Maroochy-dore, Alexandra Headlands and Mooloolaba, &c.)			
Pine Rivers Shire Council . . . . .	3,300,000		
(Sewerage Schemes, Water Supply Augmentation, &c.)			
Cairns City Council . . . . .	2,900,000		
(Cairns Sewerage Scheme—Stage 2, &c.)			
Albert Shire Council . . . . .	2,600,000		
(Northern Area Water Supply Augmentation, &c.)			
Mt. Isa City Council . . . . .	2,600,000		
(Sunset Sporting Complex, Mt. Isa Sewerage Scheme—Stage 3, &c.)			
Rockhampton City Council . . . . .	2,250,000		
(Roadworks construction, Civic Theatre, Water Supply Augmentation, &c.)			
Ayr Shire Council . . . . .	2,200,000		
(Ayr-Brandon and Home Hill Sewerage Schemes, &c.)			
State Wheat Board . . . . .	2,000,000		
(Towards Construction of Additional Bulk Storage and Handling Facilities)			
Landsborough Shire Council . . . . .	1,900,000		
(Caloundra Sewerage Scheme—Stage 2, &c.)			
Toowoomba City Council . . . . .	1,850,000		
(Cressbrook Water Supply Scheme, &c.)			
Redland Shire Council . . . . .	1,850,000		
(Sewerage Scheme, Cleveland-Thornlands Area, &c.)			

## APPENDIX C

## NOTES ON THE QUEENSLAND ECONOMY

## ECONOMIC CONDITIONS

In 1975-76, the general economic performance in both Queensland and Australia was little better than in 1974-75. Aggregate demand for the year as a whole remained subdued because of a persistent sluggishness in private consumption expenditure, the major component of demand, and in private investment expenditure. However, there were some important changes during the course of the year. Private spending and aggregate output rose in the second half of the year although there was a marked slackening in the rate of increase in public expenditure. The rate of growth of wages and prices moderated. However, with the workforce expanding, the growth in employment was not sufficient to offset the number seeking employment and, as a result, the unemployed component of the workforce was disconcertingly high.

Despite the continuation of idle capacity in labour and capital resources and a sluggishness in aggregate demand for goods and services, the rise in price levels in 1975-76 was high. The Consumer Price Index for Brisbane followed the national trend. In the twelve months to June 1976, the Index rose by 14 per cent., not greatly below the increase of 14.7 per cent. recorded in the previous year. The Wholesale Price Index for materials used in house-building rose by 15.6 per cent. in the twelve months to June 1976 compared with an increase of 21.7 per cent. in the year earlier. The corresponding annual increases in the Index for materials used in other buildings were 15.7 per cent. and 19.6 per cent. respectively.

There was a decline in the rate of growth of the State's population and a fall in the level of employment. As mentioned above, there was a marked rise in unemployment. By June 1975, unemployment had risen to a level of 4.48 per cent. of the workforce. By April 1976, it reached a level of 5.11 per cent. but in the final months of 1975-76

the percentage fell back. At the end of June 1976, the percentage was 4.57 per cent. The dissection of the unemployed component of the workforce into its various categories brings attention to the problem of creating sufficient employment opportunities to absorb female juveniles, particularly in decentralised areas, and semi-skilled and unskilled workers.

In 1975-76 there was a decline in aggregate output and this led to a very large decline in the profitability of manufacturing and associated operations. This situation, combined with increased import competition, and the difficulties associated with the forward planning of investment under inflationary conditions, adversely affected the rate of capital expenditure of the private sector.

Although expenditure on dwellings increased, and investment in non-residential building was fairly well maintained, expenditure on plant and equipment remained depressed throughout the year. However there were signs of some increase in the level of investment in the manufacturing sector during the second half of the year. Unfortunately, investment on major industrial undertakings and associated resource development projects was significantly below that of earlier years. The current level of expenditure on projects to develop our natural resources in comparison to that of a few years ago is a major factor resulting in the slow-down in the real growth of the State's economy.

The continued weakness in consumer demand was also no doubt due to the reluctance of consumers to reduce savings in the prevailing inflationary conditions. The substantial increase in real incomes in recent years was largely absorbed by increased savings as consumers sought to prevent the erosion of accumulated savings. Another important factor was the uncertainty in relation to future prospects.

Upswings in consumer demand and capital expenditure are essential to the revitalisation of the growth of the State's economy.

Inflation and its dampening impact on consumer and business confidence are undoubtedly two of the underlying factors retarding a recovery in aggregate demand. Until inflation is contained and an environment conducive to the undertaking of capital expenditure is restored, there will be little prospect of an upswing in the level of operations of the manufacturing sector.

#### SECONDARY AND TERTIARY INDUSTRY

Most industry is operating below capacity, particularly heavy engineering, footwear, textiles, furniture, clay pipe making, and most industrial chemicals. Timber milling and wood components production is also severely depressed. However, Queensland's food processing industry, the largest industry group in the State, is operating satisfactorily.

Clay brick demand is satisfactory. However, other sectors of the building components supply industry are not as well situated

although the recent increase in activity in dwelling construction should help this industry's prospects.

There was an improvement in clothing manufacture in the final months of the year although the textile industry remained depressed throughout 1975-76. A rise in dwelling construction resulted in increased output for some basic building materials but, in the main, production of these products remained below former levels. Activity in motor vehicle assembly plants was fairly well maintained while output rose in some sections of light engineering. With the notable exception of the production of sugar milling equipment, the continuing depressed activity in heavy engineering remained a cause for concern. The impact of tariff and quota changes on Queensland industry has not been as great as in some other States. However a number of problem areas do exist particularly in textiles, footwear and plywood.

The level of activity in the tertiary sector has reflected the conditions in manufacturing industry with demand particularly for engineering services being well below previous levels. Retail sales are still at generally low levels though there has been a slight improvement in real terms over the past twelve months.

The value of retail sales in the six months ended December, 1975, was \$1,377 million. This represented an increase of 17 per cent. on the figure for the corresponding period of the previous year but allowance must be made for price increases over the period.

The only strong segments in the retail sales sector in the second half of 1975-76 were in sales of new motor vehicles and to a lesser extent in commodities directly related to the higher level of home-building activity.

Manufacturing industry appears to be somewhat unsure as to future demand possibilities and though it is becoming more aware of the significance of the Commonwealth Government's investment allowance provisions, investment activity is still continuing at a low level.

Although at a level less than in the past, during the year a large number of firms have nevertheless continued to invest in the State. The investment has occurred in both metropolitan and decentralised areas.

#### MINING

The end of the financial year 1975-76 saw the Queensland mining industry in a much better position than at the start of the year. Most of Queensland's mineral production is for export. Thus the future outlook of the industry is determined by the state of the economies of the nations consuming our raw materials. While there is no likelihood of an immediate return to the boom conditions of the 1972-74 period, the long term outlook is for a gradual improvement.

The Federal Budget contained some concessions for mining companies in the form of investment allowances and depreciation concessions which should give encouragement to mining development. The concession for writing-off exploration expenditure against income from any source should be of considerable importance.

Coal mining developments now under consideration should receive an impetus from the immediate reduction of the export coal levy to \$4.50 per tonne and the prospect of its eventual abolition.

The abolition of the levy of \$2 per barrel on oil from new discoveries should provide some stimulus to exploration for oil.

World metal prices rose sharply between February and June, 1976, but have since lost some of their gains. A further gradual decline of world prices may be expected in the short term although it is unlikely to affect production in Queensland. Little reduction of copper stocks has occurred and these are still at near record levels. Phosphates and mineral sands are likely to be in considerable over-supply as new projects, begun during the boom period, come on stream. Zinc and lead stocks, world-wide, are still high and increased production is unlikely to be induced for some time yet. The two notable exceptions to the general decline in world metal prices since 30th June, 1976, are aluminium and nickel. In the case of aluminium this is in large part due to the actions of Jamaica and Guyana in increasing the prices of their exports of bauxite and alumina.

#### *Copper*

Production of copper in 1975-76 at 165,000 tonnes was down by about six per centum compared with 1974-75. This reflects the generally depressed world price for copper during the period. For the whole of the year copper stocks remained very high and production was curtailed world-wide. The rise in price did not come early enough in the financial year to affect the year's production figures.

#### *Silver*

Production of silver in 1975-76 rose marginally, by two per centum, over the 1974-75 figure to 352 000 kg.

#### *Lead*

Production of lead also rose marginally in 1975-76 by 3.7 per cent. to 136,000 tonnes.

#### *Zinc*

Production of zinc fell by 1.5 per cent. in 1975-76 to 113,000 tonnes.

#### *Bauxite*

Production of bauxite fell by 16.5 per cent. to 9,050,000 tonnes in 1975-76 as a result of the fall in demand for aluminium.

#### *Nickel*

Production of nickel ore increased substantially in 1975-76 to reach 1,990,000 tonnes as the Greenvale mine swung into full production. During June 1976, ore production was running at, or over, designed capacity, with the Yabulu refinery operating at over 85 per cent. of design capacity.

#### *Mineral Sands*

Production of rutile fell by about 10 per cent. in 1975-76 to 110,000 tonnes while production of zircon fell by 22 per cent. to 84,500 tonnes. Ilmenite sales increased by six per cent. to 18,700 tonnes. Prices for rutile fell rapidly during the year from \$A325-340 per tonne to \$A250 per tonne at 30th June, 1976. The prices for the various mineral sands during the year were adversely affected by the increasing use of substitutes.

#### *Phosphate*

Phosphate production increased to 188,000 tonnes in 1975-76 as a result of the build-up in production at the Duchess mine. Expansion of production to the planned level of one million tonnes per year is expected in 1976-77 following the completion of the rail link to Phosphate Hill and the construction of the necessary ancillary facilities.

#### *Coal*

Production of steaming coal, which is almost all consumed locally remained steady in 1975-76 at 5,150,000 tonnes. Production of coking coal totalled 18,770,000 tonnes. It is hoped that new mines at Nebo, Hail Creek and Norwich Park will come into production in the next few years with a total additional annual production of about 15 million tonnes.

#### *Oil and Natural Gas*

Oil and condensate production during the year fell by about five per cent. to 67,700 cubic metres due to the gradual depletion of the Moonie and Alton fields. During the year increased prices were approved by the Federal Government for crude oil, with provision for further increases.

Production of natural gas in 1975-76 declined by about eight per cent. to 245,000,000 cub. metres. Gas presently being produced in Queensland from the Surat Basin is sold on long-term contract at fixed prices with provision for escalation.

Unless new discoveries of oil are made, production will continue to fall. In recent months exploratory work has increased considerably over the depressed levels of the last two years and the additional Federal Government concessions should also have some impact on exploration. There are, therefore, improved prospects that new discoveries may be made.

All existing natural gas production in Queensland is from the Roma area of the Surat Basin. The demand for natural gas in Brisbane is increasing, but it is not

possible to meet these demands from existing producing fields. However it is likely that production will begin shortly from the Kincora field and will eventually take place from the Boxleigh and Silver Springs fields. This would augment the present supplies from Roma. Use could be made of the existing pipeline to deliver gas to Brisbane. In recent months some exploratory drilling has been undertaken in the Roma area and development wells have been drilled at both Boxleigh and Silver Springs. Although no development has yet taken place of the large reserves of gas in the Queensland part of the Cooper Basin additional exploratory drilling has occurred this year. Eventually these known reserves should be developed.

#### PRIMARY INDUSTRIES

Rainfall in much of Queensland has been below normal since June. Pastures, particularly those in the inland districts, are reflecting the effect of extended dry and cold weather conditions. These conditions, accompanied by severe frosts, have burnt off standover pastures and rain is urgently needed now to avert an acute feed shortage in spring.

In the drier areas and on many overstocked properties, depleted feed supplies are causing concern. Some graziers are sending their breeding stock on agistment. Some breeding stock are in backward condition. Stock losses are reported to be increasing throughout the drier areas. Even in the more favoured areas of the State, cattle are slipping in condition.

Demand for store sheep remains strong, particularly from western areas. Graziers on the Darling Downs are keenly seeking big bodied merino ewes for producing prime lambs. Fat cattle sales continue to be swamped with large numbers of store and unfinished cattle as prospects for spring are generally quite poor. Good quality fat cattle are scarce.

The continuation of cool dry weather conditions has caused a further decrease in overall dairy production. In areas where good quality feed and water are adequate, milk production can be expected to increase steadily with more cows coming into lactation.

Many growers in Southern Queensland had been able to complete their winter grain planting by August, suitable rains having fallen late in July. However, in some localities in the Maranoa district and on the western Darling Downs, patchy showers were not sufficient to allow planting, and much of the prepared land in readiness for planting will probably be stood over for summer crops. Planting in much of Central Queensland was restricted by predominantly dry weather conditions throughout the planting period. The situation in the Dawson-Callide district was more promising with most intended wheat plantings having been realised.

Recent good rains in areas where planting had been carried out have improved prospects for optimum yields from wheat crops and

have laid a sound foundation for excellent summer grain crop yields. Most of the barley crop which had been planted on the inner Darling Downs under soil moisture conditions is stooling well.

Harvesting conditions for cane have generally been excellent, but growth of plant and ratoon cane has been slowed by cool weather conditions. Higher than normal c.c.s. levels have been recorded in several cane-growing regions.

#### Beef

Conditions in the beef industry have deteriorated to an extent in recent months from the more optimistic tone in the market earlier this year. Prices at Cannon Hill in recent weeks were at levels generally in the range of 45-53c/kg dressed weight compared with levels of 50-55c/kg earlier in the year. These prices are at a depressed level. Heavy oversupplies of cattle appear to be the major problem facing the industry at the present time. Despite the record slaughtering over the past 18 months large numbers of slaughter-age cattle are still coming forward from the production cycle begun two to three years ago. The very dry conditions in southern States are forcing further surplus cattle on to the market.

Generally, overseas demand, although it has been gradually improving over the past year, still remains depressed. Overseas indications are that demand should continue to increase next year and there could be significant improvements towards the end of 1977. A new factor which could influence the world beef market, however, is the current severe European drought.

#### Wool

The firmer tendency which was apparent in the wool market during most of 1975-76 has generally continued in the first few months of the 1976-77 season although prices have displayed some instability at recent sales. Prospects for the 1976-77 season are cautiously optimistic as prices should continue to improve in line with the general recovery in the major overseas economies. Japanese buyers continue to lead the market recovery with good support from Western and Eastern European interests. A further encouraging factor is an apparent reduction in world wool production which should help to keep prices at firm levels. The Australian Wool Corporation's new market indicator is currently at a level around 260c per kg clean basis. This compares with an average level during 1975-76 for the new market indicator of approximately 233c per kg clean basis.

#### Sugar

Sugar cane production in 1976 is expected to break all previous records for the quantities of cane crushed and sugar manufactured. It is estimated that 3.42m tonnes of 94 nt sugar could be processed from 24.2m tonnes of cane harvested. In 1975, 2.75m tonnes of 94 nt sugar was processed from 21.07m tonnes of sugar cane.

Long-term contracts are currently in force for the supply of about 1.2m tonnes of sugar to New Zealand, Malaysia, Singapore, South Korea and Japan. This amount, together with the home consumption of approximately 720,000 tonnes, accounts for about two-thirds of production. The home consumption price to wholesalers and manufacturers was recently increased by 12 per cent. to \$246.20 per tonne for refined sugar, 1A grade, and \$240 per tonne for refined sugar, 1XD manufacturers grade. The free market on which approximately one-third of production is sold is currently still declining after reaching record levels in 1974. A recent price in London was quoted at \$160 per ton compared with \$1,007 quoted in November, 1974.

#### *Dairying*

Butter production increased marginally from 10,225 tonnes in 1974-75 to 10,981 tonnes in 1975-76 while cheese production increased from 9,840 tonnes to 12,335 tonnes, the highest cheese production for many years.

The depressed state of the world market persists and there appears to be little likelihood of any recovery in the immediate future. Total Australian production is still well above domestic requirements, and the low returns on the exportable surplus have had severe effects on the returns to manufacturers in all States.

#### *Eggs*

The financial situation in the egg industry is more secure at present than it has been for many years. The production control scheme operating in Queensland has eliminated most of the export surplus which previously existed. This has improved the average return to growers.

#### *Grains*

Production from this season's wheat crop is estimated to be at least 20 per cent. less than last year's. While the world demand for soft wheats could be strong, hard varieties could meet stiff competition from Northern America with final price being determined by the floor placed by U.S. growers.

In the case of barley, providing normal growing conditions obtain until harvest, production could exceed last year's record level. Export prices could equal last season's.

Overall, the grains situation, in the short-term, seems favourable.

#### *Tobacco*

Adverse weather conditions in 1975-76 were responsible for significant losses of leaf. In total the estimated State shortfall is expected to be 338,500 kg out of a State marketing quota of 8,304,300 kg. There has been a serious fall in tobacco consumption, and an increase in manufacturer's stocks, with resultant pressure on the level of the Australian marketing quota.

Sales of leaf from the 1975 selling season were valued at \$27.5m for an average price of 331.5 cents per kg. The minimum average price for the 1976 sales has been increased to 347 cents per kg.

#### *Fruit and Vegetables*

The gross value of production of fruit and vegetables, including potatoes, in 1975-76, has been estimated at a record level of \$114.4m. This is an increase of \$4m., or 3.5 per cent. on the previous year.

During January 1976 cyclonic weather caused varying degrees of crop damage in all horticultural districts. Damage was severe in banana plantations around Rockhampton, and production of fruit over the next six to twelve months will probably decline considerably. Vegetable growing areas in the South Moreton region also suffered heavy losses.

Exports of apples to traditional European markets are expected to continue to decline, with little prospects for expansion in other markets in the short-term.

The citrus industry has been hard hit by heavy imports of fruit juices and juice concentrates.

Pineapple production in 1975 was down compared with the previous year because of a slight drop in the area planted, and very poor yields due to adverse weather conditions. The intake of pineapples at Golden Circle was 25.8 per cent. down on the previous year. However record prices have been declared.

#### *Peanuts*

Production of peanuts in 1976 is estimated at 38,000 tonnes nut-in-shell basis compared with the 1975 crop of 31,323 tonnes. With the development of export markets in Japan and the United Kingdom at satisfactory prices, returns to growers are expected to exceed last season's level of 30 cents per kg ex Kingaroy.

#### *Navy Beans*

Navy bean production in 1976 at 5,000 tonnes was the second highest on record. This compares with the 1975 crop of 2,599 tonnes. As a result of increased prices negotiated by the Board with processors, returns to growers are expected to reach a record level of 47.5c per kg compared with 39c per kg in 1975.

Progress reported.

### SPECIAL ADJOURNMENT

**Hon. T. G. NEWBERRY** (Mirani—Leader of the House) (3.10 p.m.): I move—

“That the House, at its rising, do adjourn until Tuesday, 12 October 1976.”

Motion agreed to.

The House adjourned at 3.11 p.m.