

Queensland



Parliamentary Debates
[Hansard]

Legislative Assembly

TUESDAY, 12 OCTOBER 1976

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

ASSENT TO BILLS

Assent to the following Bills reported by Mr. Speaker:—

Co-operative and Other Societies Act Amendment Bill;

District Courts' and Magistrates Courts' Jurisdiction Act Amendment Bill;

Supreme Court Library Act Amendment Bill;

Law Reform Commission Act Amendment Bill;

The United Grand Lodge of Antient Free and Accepted Masons of Queensland Trustees Act Amendment Bill;

Port of Brisbane Authority Bill;

The Honourable Jack Lawrence Kelly Enabling Bill.

OVERTIME PAID IN GOVERNMENT DEPARTMENTS

RETURN TO ORDER

The following paper was laid on the table:—

Return to an Order made by the House on 26 August last, on the motion of Mr. Lane, showing the amount of overtime paid in each Government department (all funds) in 1975-76.

PAPERS

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

Report of the Queensland Probation and Parole Service for the year 1975-76.

The following papers were laid on the table:—

Proclamations under—

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

Port of Brisbane Authority Act 1976.

Metropolitan Transit Authority Act 1976.

Forestry Act 1959-1976.

Orders in Council under—

Mining Act 1968-1976.

The State Electricity Commission Acts, 1937 to 1965.

The Southern Electric Authority of Queensland Acts, 1952 to 1964.

The Northern Electric Authority of Queensland Acts, 1963 to 1964.

Industrial Development Act 1963-1975.

Harbours Act 1955-1976.

River Improvement Trust Act 1940-1971.

City of Brisbane Act 1924-1974.

Forestry Act 1959-1976.

Co-operative Housing Societies Act 1958-1974.

Fisheries Act 1957-1974.

Regulations under the Mining Act 1968-1976.

By-laws under the Education Act 1964-1974.

Report of the Burdekin River Authority for the year 1975-76.

QUESTIONS UPON NOTICE

1. HEN QUOTAS

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

(1) Is he aware of circulars of protest being distributed throughout the egg industry?

(2) Did he declare on 15 November 1972 that hen quotas would be based on the flock numbers at 30 June 1971?

(3) Prior to the quotas being issued, were poultry farmers advised to reduce flocks, as 30 June 1971 numbers were far too high?

(4) Did some large growers ignore that advice and substantially increase their flocks and enlarge their facilities?

(5) Were the hen-quota figures then allocated not on figures at 30 June 1971 but on the average for the years 1970 to 1973?

(6) Did some large growers as a result secure augmented quotas and additional increases to their quotas, on the ground of financial hardship resulting from prior financial commitments?

(7) What was the reason for this change and how were some growers able to obtain foreknowledge of the change in procedures?

Answers:—

(1) Yes.

(2) Yes, but I had already made the announcement on 18 July 1972.

(3) Yes.

(4) Yes. Some growers, large and small, expanded their operations, but this did not benefit them.

(5) Flocks in South Queensland were allocated on 1970-71 and 1971-72 averages as agreed to by egg producers at a ballot. Different criteria applied in North Queensland and Central Queensland, where the over-all district quotas were based on hen holdings in the three years 1970-71, 1971-72 and 1972-73 because of under-supply in those areas.

(6) No. All growers could appeal for increased quotas on various grounds as laid down in the Act. These grounds included personal hardship.

(7) There was no change in procedure.

2. GOVERNMENT EMPLOYEES NOT UNDER PUBLIC SERVICE ACT

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

(1) Which employees of the Government are not employed under the Public Service Act?

(2) If there are such employees do they have, as one of the conditions of their employment, a clause similar to section 28 of the Public Service Act?

Answer:—

(1 and 2) The Public Service Act names those officer and employee groups to which it does not apply. The larger groups so exempt are Railway officers and employees, members of the Police Force and wages employees generally. There are some 10 other groups covering lower numbers of employees and, of these groups, some have appeal provisions in their respective legislation; others do not.

3. APPEALS AGAINST PUBLIC SERVICE BOARD DECISIONS

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

(1) What provision for appeal against dismissal is provided in the Public Service Act?

(2) Has he received any submissions from unions representing Public Service employees on the matter of appeals against a Public Service Board decision and, if so, what was the result?

Answer:—

(1 and 2) I have not received any submissions from unions.

4. QUEENSLAND TEACHERS' UNION BALLOT

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

(1) Has he been informed that the Queensland Teachers' Union is to hold a ballot of its members over its recent dispute with the Government?

(2) What provisions exist under the Industrial Conciliation and Arbitration Act with regard to such ballots?

(3) If and when the ballot takes place, will he see that the provisions of the Act are complied with?

Answer:—

(1 to 3) I am aware from newspaper reports that the Queensland Teachers' Union is to give its members the opportunity to vote on future industrial action in respect of the recent dispute over the dismissal of teachers who had been convicted of drug offences. It is not clear what options are to be offered to the union members, but no doubt one will be further industrial action. Accordingly it would not be incorrect to label the vote as a strike ballot.

As the result of amendments to the Industrial Conciliation and Arbitration Act last year of which the honourable member would be aware, there is no requirement that such a ballot be held prior to the calling of a strike. Where a strike that involves a cessation of work occurs, the Industrial Commission—

(a) may of its own motion; and

(b) shall, upon the application of—

(i) an industrial union of employees; or

(ii) not less than 20 per centum of employees engaged in the project, establishment or undertaking in which the strike has occurred,

direct the industrial registrar to conduct a secret ballot with the view of ascertaining the number of employees or members so engaged who are in favour of the strike.

There are other options open to the Government in this matter, but at this stage I consider it would be inadvisable to name them.

5. COASTAL TOURIST ROAD FROM NOOSA TO MARYBOROUGH

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

With reference to the proposal to construct a coastal tourist road from Noosa to Maryborough—

(1) Is he aware that this proposal is of tremendous importance to the coastal areas between Maryborough and Noosa as well as to those centres and that the proposal was the subject of a regional submission in December 1974 to the Grants Commission dealing with tourist access roads?

(2) What discussions have taken place at meetings of the Wide Bay-Burnett Regional Council and any sub-committees of the council on any section of this proposal and what were the results of the discussions or decisions?

Answers:—

(1) I can appreciate the value of such a concept, but the position is that the limited funds available for main roads have been concentrated on the Bruce Highway and other declared roads in the area. The Main Roads Department informs me that at this time it could not finance the proposal advanced. I understand that it has been submitted to the Commonwealth Grants Commission as mentioned, but that Commission has nothing to do with this Government.

(2) I have no knowledge of any such discussions. I can appreciate the importance and value of doing what the honourable member suggests.

6. MOTOR VEHICLE ACCIDENTS INVOLVING LIVESTOCK, MARYBOROUGH-TORBANLEA ROAD SECTION

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

(1) How many motor vehicle accidents involving livestock have occurred on the Maryborough-Torbanlea section of the Bruce Highway over the last six months?

(2) How many people were hurt in these accidents and what was the estimate of damage to vehicles?

Answers:—

(1) 10.

(2) Three people were injured in these accidents and the estimated damage done to vehicles was \$8,700.

The above information relates to the six-month period from 1 March 1976.

7. DAIRY FARMS AND QUOTAS; INTERESTS OF MEMBERS OF THE MILK BOARD

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

(1) Do any members of the Milk Board or their families hold milk quotas and, if so, what are their names and what is the size of each quota?

(2) Are any members of the Milk Board involved in any companies that hold milk quotas and, if so, who are the members, what are the names of the companies and what is the size of each quota?

(3) Are any members of the Milk Board shareholders or officers of Q.U.F. and, if so, what are their names, how were they appointed, what are their qualifications and what organisations do they represent?

(4) What is the total number of dairy farms in Queensland and how many of these farms or farmers have whole-milk quotas?

Answers:—

(1) Yes: Mr. P. D. Rowley, dairy farmer, Mt. Pleasant, via Dayboro. As the elected representative of milk producers on the Milk Board, he is required under the Milk Supply Act to be a milk producer who supplies whole milk. The Brisbane Milk Board does not disclose particulars of a supplier's milk quota. The information is confidential.

(2) Yes: Mr. D. J. Booth, dairy farmer, Junabee, via Warwick; Chairman of Directors of the Warwick Co-operative Dairy Association. As the elected representative of wholesale vendors outside the district (country factories), he is required under the Milk Supply Act to be a producer who supplies whole milk. Mr. Booth is not the holder of an individual quota for the Brisbane milk market.

(3) Yes: Mr. L. P. Taylor, Director, Q.U.F. Industries Ltd., who represents the wholesale vendors within the district. He is appointed by the Governor in Council from a panel of names not less than three persons nominated by the wholesale vendors.

(4) There are 4,431 dairy farms in Queensland, of which number 1,032 are cream suppliers. Precise figures as to the number having access to market milk are not available, as there is no statutory provision for quotas to suppliers to country pasteurisation plants. The number is believed, however, to be approximately 3,000.

8. EXPORT OF MEAT-MEAL TO SOUTH-EAST ASIA

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

At a time when hard-pressed cattle producers are seeing increasing numbers of carcasses finishing up as meat-meal, has any action been taken by the Government to have the Commonwealth Government remove the controls and prohibitions that are limiting the export of meat-meal to South-east Asian areas?

Answer:—

I would make it clear that the only restraints on exports of meat-meal are concerned with ensuring that the consumption needs of Australian farmers are met.

Several Australian rural industries, including the pig, egg and poultry industries, depend upon supplies of protein meals, especially meat and bone-meal for their very existence. Furthermore, these industries can only acquire their supplies of meat and bone-meal from local sources because of quarantine restrictions on the importation of meat and bone-meal from other countries. Such quarantine restrictions are essential to prevent the introduction into this country of exotic diseases.

For these reasons, the policy on export of meat and bone-meal has been administered for many years so as to ensure that there are always adequate supplies available to meet the needs of domestic rural industries. However, once it is demonstrated that manufacturers of meat and bone-meal are satisfying the requirements of local industries, they are permitted to export any surplus to markets of their own choosing.

I would add that export controls over animal feed stuffs are not used to influence price. They are merely designed to ensure that adequate supplies are available in Australia to sustain our very important animal industries. Because price is not taken into account, there should be no effect on realisations by the beef industry.

9. ABORIGINAL HOUSING, ROCKHAMPTON

Mr. Yewdale, pursuant to notice, asked the Minister for Aboriginal and Islanders Advancement and Fisheries—

How many houses did his department purchase in Rockhampton in the last seven years, where are they situated and what was the cost of each?

Answer:—

102 conventional-type family homes have been acquired in Rockhampton, purchase prices ranging from \$9,500 in 1968 to the maximum price of \$23,500 in 1975. The honourable member will understand that publication of addresses is undesirable, as the department must respect the privacy of the individual as well as maintain confidentiality with its clients.

10. HIGH-TOPS FOR CLERMONT AND COLLINSVILLE SCHOOLS

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

As these are times of higher educational requirements, will he take urgent action to provide high-top grade 11 and 12 education in towns such as Clermont and Collinsville, which do not have the numbers for a complete new high school but nevertheless play an important part in the economy of this State?

Answer:—

The question of provision of grades 11 and 12 at remote-area secondary departments is currently under review. A decision will be reached in the very near future.

11. UNIVERSITY OF QUEENSLAND UNION OVERDRAFTS

Mr. Ahern for **Dr. Lockwood**, pursuant to notice, asked the Minister for Education and Cultural Activities—

(1) What was the total of the overdraft commitment of the University of Queensland students' union on 30 June 1973, 1 January 1974, 30 June 1974, 1 January 1975, 30 June 1975, 1 January 1976 and 30 June 1976?

(2) How much interest was paid on this overdraft in each of the last three financial years?

Answers:—

(1) The Vice-Chancellor has been informed by the University of Queensland Union that the total overdraft of the University of Queensland Union has been—

	\$
30 June 1973	255,337
1 January 1974	306,405
30 June 1974	235,250
1 January 1975	487,446
30 June 1975	343,465
1 January 1976	554,688
30 June 1976	324,978

During 1974-75 payments on the kitchen extensions were being met.

(2) The interest paid on the University of Queensland Union overdraft has been—

	\$
1973	19,971
1974	27,881
1975	40,874

12. PARK LAND FOR CROWN ESTATE, GLADSTONE

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

As the Gladstone City Council requires all subdividers to make a contribution for park purposes in any subdivision, will he agree to see that the Land Administration Commission sets aside an area for park purposes in the Crown estate development in Lyons and Coon Streets, Gladstone, as requested by the Gladstone City Council?

Answer:—

The design for my Land Administration Commission's Crown estate development project at Lyons and Coon Streets, Gladstone was prepared by the Gladstone City

Council and that council is also carrying out the development work for the commission. No suggestion or request for provision of an area for park purposes within the development project was received from the council until 23 February 1976, when the development works were well under way and when the rapid escalation in development costs, above the council's original estimates, had forced reconsideration of the economies of the project and a temporary halt to completion of it.

Because my department has made considerable areas well in excess of the proportion normally expected of a private subdivider available for park, recreation and other associated purposes from within its other Crown estate development projects and from Crown land generally in the Gladstone city area, and because of the high cost of development of the 17 allotments recently completed at Coon and Lyons Street, my Land Administration Commission decided it could not accede to the council's request that one of these 17 allotments be made available for park purposes. I consider the commission's decision was correct in the circumstances of this particular subdivision, but the need for appropriate park areas will be kept in mind in future subdivisions in Gladstone.

13. RAIL FREIGHT REBATE FOR YARWUN
FRUIT AND VEGETABLE GROWERS

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

(1) As any further increase in rail freight rates would cause hardship to fruit and vegetable growers in country areas, will he consider the position of the Yarwun fruit and vegetable growers if rail freight rates are raised again in the coming year?

(2) Will he give assistance to these growers by way of a special freight rebate, thus allowing them to continue to use rail transport?

Answer:—

(1 and 2) In accordance with the provisions of the State Budget, the freight rates on fruit and vegetables from the Yarwun area and elsewhere will be increased by 15 per cent as from 1 November 1976.

14. UPGRADING OF HIGHWAY,
ROCKHAMPTON-DULULU

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

Is there provision for upgrading of the highway from Rockhampton through Mt. Morgan to Dululu and, if so, what sections will be upgraded, what will be the cost, when will the work commence and what is the expected completion date?

Answer:—

A widening scheme has been released to Mount Morgan Shire for \$28,000 for 2.1 km between Mt. Morgan and Dululu and it is anticipated work will soon commence. I am hopeful there will be a substantial increase in rural arterial funds in the new Roads Act from July 1977 onwards. Work on the narrow 12 ft. sections will certainly receive consideration and it is hoped work can continue next financial year.

I have a very vivid recollection of this section of road. On behalf of the Government of Queensland, I continue to travel over 20,000 miles of roadways. The member for Callide made sure that in my inspection I drove over the section from Dululu to Rockhampton via Mt. Morgan. As the honourable member for Port Curtis would be aware, the roadway is only about 8 ft. wide because 2 ft. has broken off each side of the bitumen. We were placed in the very awkward position of having a 30-ton fully loaded vehicle coming down the road towards us. There were only three of us in the front seat of the car and we said, "It's either them or us", so we made for the mulga. It will be appreciated, therefore, that that road is vividly remembered by me. I thank the honourable member for Port Curtis for bringing it forward. Funds are being allocated because, apart from the road over the Drummond Range, I have not seen anything worse in Queensland.

15. MUNGINDI AND DIRRANBANDI
HOSPITALS

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

(1) What progress has been made with regard to the provision of the new hospital for Mungindi, which was promised by the now defunct Commonwealth Labor Government, what is its estimated cost and when will construction commence?

(2) When will work commence on the proposed additions to the Dirranbandi Hospital and doctor's residence?

Answers:—

(1) The views of the Balonne Hospitals Board have been sought on certain aspects of sketch plans submitted by that board for a new hospital at Mungindi. The time at which construction could commence is dependent on the finalisation of necessary documentation and the availability of finance from the Commonwealth Government. The cost is estimated to be in excess of \$1,000,000.

(2) Approval has been given for the hospitals board to have sketch plans and estimates of costs prepared for alterations and additions to the Dirranbandi Hospital and for the preparation of working drawings and specifications for extensions to the

medical superintendent's residence. The time at which construction can commence on both these projects will be dependent on time taken to finalise documentation and the availability of finance.

16. COMMUNITY SERVICE A CONDITION FOR PROBATION AND PAROLE

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

(1) Has he considered making community service a condition of probation and parole?

(2) Where does this system presently operate successfully and would the system allow for the voluntary employment of probationers and parolees in psychiatric hospitals and children's homes?

Answer:—

(1 and 2) Serious consideration is being given to the use of community service orders in this State. In fact, at the present time departmental officers are examining legislation introduced into the Legislative Assembly of Western Australia recently to allow for the commencement of community service orders in that State.

Such orders have been utilized successfully in New Zealand and the United Kingdom for some time. The Australian State with most experience in this field is Tasmania, where the use of community service orders is now seen as an essential part of the criminal justice system.

These orders provide an additional alternative for courts when dealing with any person found guilty of an offence. At the present time, in addition to being able to use fines or imprisonment, courts have the opportunity of admitting an offender to probation. This involves supervision of that person for a specified period within the community. Parole supervision, however, is exercised over prisoners released prior to the expiration of their sentences, by order of the Parole Board.

As the law stands at the moment, it would be outside the jurisdiction of a probation officer to order a person subject to probation to undertake community service such as work in a charitable institution or in any other place. Traditional probation does not interfere more than is absolutely necessary in the person's life-style.

As far as parole is concerned, the essential function of the parole officer is to assist the parolee (who incidentally is still a prisoner under sentence), in adjusting to life within the community and in avoiding violation of the law.

A community service order would provide for a different type of demand to be placed upon the offender from the conditions under which he is subject under probation and parole orders, and it would operate from a slightly different set of

assumptions. Community service orders require the person to make a positive contribution to the welfare of the community and, at the same time, cause him to be associated with well-adjusted citizens while working on a worth-while project. Service organisations frequently accept responsibility for involving offenders, along with their own members, in such undertakings. The decision to make a community service order would rest with the courts. It is envisaged that the courts, however, would make these orders only on the recommendation of the probation service, and then for specified periods. The order would set out the number of hours of community work to be undertaken, and the number of months in which that work must be completed.

It is quite possible that some of the worth-while projects to which I refer could provide assistance to charitable organisations such as children's homes, and also in psychiatric hospitals and similar institutions on a limited basis.

In fact in relation to the question of work performed by convicted offenders in psychiatric hospitals and similar institutions, I was extremely interested to examine the operations of the "Bristol Experiment" during my inspection of overseas prisons and probation and parole services last year. Amongst other things, one of the aims of this scheme was to show by example that manpower resources in the understaffed social services field can be increased by tapping the talent and experience which exists in the Welfare Services "client population".

In brief, the experiment tried to help in the development of job opportunities and to assist to obtain stable employment for offenders in fields where they could be useful. At the time of my visit a great deal of work centred around assistance in a psychiatric hospital which is adjacent to the city of Bristol. I was told also that assistance was given in hospitals for the handicapped, which included one for mentally handicapped children.

What emerges from all this is the fact that, in addition to probation orders and parole orders for which provision already exists, I am seriously considering provision for an entirely new type of order altogether. It will demand active participation by the offender and allow for valuable contributions to the well-being of the community.

17. WOODRIDGE HIGH SCHOOL AND KINGSTON STATE SCHOOL

Mr. Ahern for Mrs. Kyburz, pursuant to notice, asked the Minister for Works and Housing—

(1) What is the completion date for the first-year centre at Woodridge High School, as this urgently needed building of relatively simple structure has already taken almost a year to build?

(2) As the Builders Labourers' Federation is wasting months of expensive time with deliberate go-slow tactics, when will the Kingston Junior School also be completed?

Answers:—

(1) The building was occupied on 20 September last and it is anticipated that landscaping will be completed by the end of this month.

(2) The new school was occupied on 23 August last. Completion of fencing to front alignment, bitumen entrance and kerbing is subject to footpath levels being established by the local authority, with which the department has been in contact for some time. At this stage I cannot indicate when this finishing-off work will be completed.

18. BRISBANE CITY COUNCIL PAMPHLET ON ELECTRICITY TAKE-OVER

Mr. Ahern for Mrs. Kyburz, pursuant to notice, asked the Minister for Mines and Energy—

(1) Is he aware of the pamphlet sent by the Brisbane City Council with the latest electricity accounts?

(2) What is meant by the statements to ratepayers on the pamphlet "Retain your \$100,000,000 asset that you have paid for" and "The takeover of the Dept. of Electricity will increase your rates and deplete Council finances"?

Answers:—

(1) Yes.

(2) (a) Presumably the pamphlet refers to the assets of the Brisbane City Council Department of Electricity. The whole of these assets has been paid for either out of the moneys taken from the consumers in their electricity accounts or by way of Government-guaranteed loans (on which the electricity undertaking pays the repayment instalments). Obviously, the assets will be retained for the purpose for which they were created—to distribute electricity to the consumers in Brisbane. The difference is that the agency through which this electricity will be supplied will be the South East Queensland Electricity Board not the Brisbane City Council.

(b) There are three aspects to the second statement:

(i) The council has diverted profits of its electricity undertaking to meet general charges. The audited amount of such contributions to 30 June 1975 is \$10,435,944.83. The audited figure for 1975-76 is not yet available, but it is understood that it will be of the order of an additional \$3,000,000.

(ii) During the introductory debate on the Electricity Bill, there was a statement that the council charges its other

departments, for example, water supply and sewerage, at a "bulk rate" which is less than the rate for a commercial or industrial consumer. Any other local authority in Queensland would pay the proper tariff for such electricity.

(iii) The council has been able to pass on to electricity consumers by way of shared charges many of the overheads of the council—amongst others, a share of aldermen's salaries and presumably a share of the cost of civic receptions.

19. NEW SCHOOL AT MT. MOLLOY

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

With reference to the construction of the new school at Mt. Molloy—

(1) Has a tender been accepted and, if so, who was the successful tenderer?

(2) As the stormy season has almost arrived, when will construction commence and will it be available for the 1977 school year?

Answers:—

(1) Yes. Watkins Ltd.

(2) The contractor has indicated that site works will start in approximately three weeks. Contract completion date is 10 February 1977, excluding extensions of time to which he may be entitled due to circumstances beyond his control.

20. PRE-SCHOOL AT CARAVONICA STATE SCHOOL

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

(1) When will construction of the pre-school at Caravonica State School commence?

(2) Who was the successful tenderer and what was the price?

(3) Will it be ready for the 1977 school year?

Answer:—

(1 to 3) The programme of works does not include the construction of a pre-school centre at Caravonica this financial year. However, recently the Minister for Education and Cultural Activities and I visited the area and we will be resiting the school further north.

21. NARROW CUTTINGS ON KURANDA—MAREEBA ROAD AND KURANDA RANGE

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

(1) With reference to narrow cuttings on the main road between Kuranda and Mareeba and on the Kuranda Range, which

are the cause of accidents, is there any maintenance money or other finance available for widening of these dangerous sections? If so, when will work on these dangerous sections commence?

(2) If no finance is available, when will finance be made available?

Answer:—

(1 and 2) I appreciate the concern of the honourable member over sections of the road between Kuranda and Mareeba and I will ask the district engineer to carry out an investigation and inform me of the cost of this job. The honourable member will recall, of course, that last week in Cairns the Premier released details of schemes for North Queensland to the order of \$4,000,000. That indicates the Government's attitude to that part of Queensland. The announcement was very well received and I mention it only to indicate that the people in North Queensland are getting a very fair share of the financial allocations that come to this State.

22. MEDICAL SPECIALISTS, PRINCESS ALEXANDRA, ROYAL BRISBANE AND PRINCE CHARLES HOSPITALS

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

(1) How many full-time specialists have resigned from the Princess Alexandra, Royal Brisbane and Prince Charles Hospitals during the last three months?

(2) Has a brilliant chest physician of national renown recently resigned from the Prince Charles Hospital and was no effort made to retain his services even on a part-time basis?

(3) What are the reasons for the resignations?

(4) What is the present salary range for full-time specialists in the public hospital system and how does this compare with that of the private specialist?

(5) Are private specialists who work on a part-time sessional basis paid an additional 30 per cent loading per three-hour session?

(6) Has consideration been given to allowing full-time specialists the right to have a limited private practice as a special incentive to stay within the public hospital system?

Answers:—

(1) Princess Alexandra, 1; Royal Brisbane, 9; Prince Charles, 3.

(2) A thoracic physician employed at Prince Charles Hospital indicated in a letter dated 1 October 1976 that he was resigning to enter private practice. He assured the Chermside Hospitals Board

that he left "without a shred of dissatisfaction or ill feeling" and that "the Prince Charles Hospital is the most enjoyable hospital to work in" and his "last four years were pleasant and satisfying". The suggestion in the second part of this question is incorrect. Discussions have already been held with the physician, who has stated he would like to be appointed as a visiting specialist.

(3) It is a common practice for specialists to use full-time positions as stepping-stones to private practice. I understand that this was the case in the majority of these instances.

(4) The basic salary range for full-time specialists is \$23,606 to \$28,928 per annum. There are nine grades above this, with a top salary of \$35,309 per annum. The salaries for visiting specialists range from \$2,270 to \$3,345 per session of three hours per week per annum.

(5) No.

(6) I recently met representatives of the full-time specialists, who will be making a submission to me regarding various aspects of their conditions.

23. BLAND COMMITTEE ON COMMONWEALTH-STATES RELATIONSHIP

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

Since the Administrative Review Committee, commonly called the Bland Committee, is reviewing the activities of the Commonwealth Government and its relationship to the States, what procedures has his Government adopted to ensure that its voice is heard on the committee and that the Commonwealth Government does not unilaterally transfer many of its responsibilities to the States?

Answer:—

If the honourable member had cared to peruse the Press statement issued by the Right Honourable the Prime Minister on 21 December 1975, he would have seen that the Administrative Review Committee, under the chairmanship of Sir Henry Bland, was to commence work immediately and that the State Premiers were being invited to co-operate fully with the work of the committee, whose reports were to be received progressively.

Very shortly afterwards—in February of this year—the Prime Minister was forwarded a submission, which gave a full outline of my Government's views on the question of Commonwealth/States administration for the purposes of the committee and our voice has most certainly been heard in this regard. This submission also

gave particular attention to the unwarranted intrusion by the Whitlam Government during 1972-75 into the area of Commonwealth/States administrative arrangements. This intrusion, based on a tied-grants system of financial assistance, necessitated long, costly and time-consuming exercises by the States in an honest endeavour to meet the Whitlam Government's unreasonable and unjust requirements. So, when presenting our submission, we ensured that the Prime Minister would be well aware of our feelings concerning the vexatious situation which had previously hindered the development of efficient and co-operative Commonwealth/States activities.

As it happens, in effect the basic work of the committee has now been completed. In July last the Prime Minister indicated that a number of the recommendations of the committee had been taken into account in economic policy decisions announced by the Commonwealth Treasurer in May and that he would be announcing changes arising from the Government's examination of the committee's reports. He also stated these reports would not be published by the Commonwealth Government.

So far as the remainder of the honourable member's question is concerned, the possibility of the Commonwealth's unilaterally transferring any of its administrative responsibilities to the States is purely a hypothetical one and the honourable member need not entertain any fears in that regard. However, assuming for one moment the Commonwealth took such unilateral action, it should be remembered there would be no concomitant responsibility on any State to automatically fill the void.

24. STATION-MASTERS' HOUSES FOR GILLIAT, PRAIRIE AND NELIA

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

(1) Is he aware that tenders were called on 24 February for the building of station-masters' houses at Gilliat, Prairie and Nelia and that, although requests for the provision of decent accommodation in these centres date back to early 1973, the tenders received were rejected?

(2) In the light of this, is any further action being taken to build these houses?

(3) Is he aware of a resolution by the Station Masters' Union, Townsville District Branch, to stop work at 12 a.m. on 18 October 1976?

(4) Will he make every endeavour to help the people at these centres and assist the very responsible unionists involved, whose persistence in this matter is considered to be fully justified?

Answers:—

(1) Tenders were invited in "The Townsville Bulletin" on the date stated by the honourable member, but an acceptable tender was not received.

(2) The Railway Department is pursuing alternative courses of action with a view to having the houses erected by a contractor or by day labour.

(3) Yes. The matter was the subject of a compulsory conference convened by the Industrial Commission on Friday, 8 October 1976, and it was the recommendation of the Industrial Commissioner that, in the light of the action being taken by the department, the projected stoppage not proceed. The conference will resume on 5 November 1976, when progress, in the meantime, will be reported.

(4) See answer to (2).

25. EMPLOYMENT FROM ROADWORKS, FLINDERS AND LANDBOROUGH HIGHWAYS

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

(1) Will he make every endeavour to provide work for truck drivers and road workers employed on the Flinders Highway when this magnificent achievement is completed?

(2) As the sudden withdrawal of Main Roads funds combined with the depression in the cattle industry could deal a lethal blow to the small towns of Julia Creek and Richmond, will work commence immediately on the Landsborough Highway to provide employment for these people?

Answer:—

(1 and 2) There will not be a sudden withdrawal of funds, but the present high level of funding cannot be expected to continue. A job on the Landsborough Highway is now commencing to absorb some labour from the Flinders Highway and a limited programme on other roads has been arranged within the funds available.

26. TOURIST SHIPPING, CAIRNS

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

(1) Will Sitmar cruise ships discontinue visiting the port of Cairns on tourist runs next year?

(2) As there were nine listings and eight calls this year, will C.T.C. lines, H. C. Sleigh and Royal Viking Star ships also be affected and, if not, how many such ships are scheduled to visit Cairns next year?

(3) Is he aware of the factors that pre-empted the decision of the companies to discontinue this service and, if so, did stringent restrictions placed on such ships entering and berthing at the port of Cairns influence this action?

(4) As these visits are of vital importance to the local tourist industry, is it within his power to advise or to seek to have the matter reviewed and, if so, will he do so?

Answers:—

(1) No. The Sitmar liner "Fairstar" is scheduled to visit the port of Cairns on 11 and 12 August 1977.

(2) The P & O vessel "Arcadia" is scheduled to anchor off Green Island on 13 and 14 July and again from 24 to 25 October 1977. The C.T.C. liner "Fedor Shalyapin" is scheduled to visit Cairns on 10 February while "Viking Sea", one of the Royal Viking Star ships, is due on 19 February and again on 12 March 1977.

(3 and 4) I am not aware of any special factors which influenced the scheduling of these ships. I am advised that there are some navigational safety restrictions on the movement of deeper draft vessels in Cairns Harbour but am not aware that these restrictions have been the cause of any curtailment of shipping services.

27. TORRES STRAIT WOLFRAM PTY. LTD.

Mr. Jones, pursuant to notice, asked the Minister for Aboriginal and Islanders Advancement and Fisheries—

(1) Who were the members of the original Torres Strait Mining Co-operative Society Ltd.?

(2) Who are the directors of the company Torres Strait Wolfram Pty. Ltd. and is the company still in existence and operational?

(3) Since its inception, what amounts of financial assistance have been contributed to the abovementioned by (a) the Commonwealth and (b) the State Government?

(4) Were any other forms of assistance granted and, if so, what were they?

(5) In view of the increasing world demand for wolfram and the present London price of £stg.75 a unit, the unsettled conditions in countries of traditional suppliers, particularly Africa and South Africa, is there any move to increase wolfram production on the Australian mainland or from the deposits on Moa Island in Torres Strait?

Answers:—

(1 and 2) Registration of such companies is with the Office of the Commissioner for Corporate Affairs and the honourable member is therefore referred to my colleague the Minister for Justice and Attorney-General.

(3) (a) I am not aware of the extent of any Commonwealth Government assistance. (b) Nil.

(4) Nil.

(5) The honourable member is referred to my colleague the Minister for Mines and Energy. However, I can say the experience at Moa has not been encouraging to any significant development.

28. IN-SERVICE SEMINARS FOR TEACHERS DURING CHRISTMAS VACATION

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

Will in-service seminars for teachers be held again this year during the Christmas vacation and, if so, in what subjects?

Answer:—

Teachers were advised in the September issue of the Education Office Gazette that three in-service education vacation schools would be held during this year's summer vacation and that further information would be published in the October Education Office Gazette.

A total of 79 courses covering all aspects of primary and secondary education will be available to all teachers from State and non-State schools throughout Queensland.

Copies of the September and October Education Office Gazettes will be made available if required.

29. NEW BRISBANE RIVER CROSSING

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

(1) Has the Government any up-to-date feasibility study of the best method of crossing the Brisbane River at the Gateway Bridge site, that is, by bridge or tunnel?

(2) If no such study is available, will the Government have one carried out as a matter of urgency?

Answers:—

(1) A feasibility study of a crossing of the Brisbane River at the Gateway Bridge site was undertaken in 1966. This study indicated at the time that a bridge could be provided at a substantially lower cost than a tunnel of similar capacity.

(2) Over-all planning of freeways and bridge crossings is the responsibility of the Main Roads Department. As indications are that the next crossing of the Brisbane River will be in the New Farm area, it is not considered that a study further downstream is necessary at this stage.

30. OFFICIAL AEROPLANE

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

(1) As the Auditor-General's report shows a payment of \$488,368.31 as "payment towards cost of replacement of Government Aircraft", to whom has the amount been paid?

(2) What is the nature and type of aircraft referred to?

(3) What will be the total cost of the new aircraft and what is the anticipated trade-in value of the present aircraft?

(4) When will the new aircraft be delivered?

Answer:—

(1 to 4) The payment referred to appears in the Auditor-General's report but it is included in the accounts of the Premier's Department. As the honourable member should be aware, the Treasurer's responsibilities do not extend to the detailed recording of costs incurred by the various departments. However, I have ascertained that the payment represents the balance paid upon delivery of the present Beechcraft Kingair aircraft in August 1975. A deposit was paid in the preceding financial year and this was reported in the Auditor-General's Report on the Departmental and Other Accounts for that year.

31. LAND VALUATIONS

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

(1) Is he aware that the N.S.W. Government has decided to make freely available to land-owners copies of the valuer's reasons for valuations, so that land-owners who feel that their properties have been overvalued and are planning to appeal can be assisted in their battle with the bureaucracy?

(2) As land valuations are used as a basis for local authority rates and as many Queenslanders find it difficult to ascertain the reasons for what they class as abnormally high valuations, has consideration been given to making this information available to local residents?

Mr. SULLIVAN: Although the responsibilities of the Minister for Primary Industries are rather wide and varied, I am somewhat

at a loss to understand why this question should be directed to me. If the honourable member had a matter affecting main roads in his electorate, I hope that he would direct his question to the Minister for Local Government and Main Roads. As there is a Minister for Survey and Valuation and the honourable member's question relates to valuation, I suggest that he direct his question to him.

32. WHEAT GROWERS' FIRST ADVANCE PAYMENT

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

(1) When can wheat growers expect a decision on the request for an increase in the first advance payment?

(2) As wheat growers have made a major capital investment, particularly in machinery, and as an early increase in the first advance payment would provide a filip to the rural economy, what action has the State Government taken on this issue to ensure that their Federal Liberal-National Country Party colleagues are aware that there is a need for a favourable decision?

Answers:—

(1) The matter is one for determination by the Commonwealth Government, since that Government is responsible for ensuring the availability of the necessary finance for the payment of first advances on wheat.

(2) I am well aware of the need for wheat producers, in common with other rural producers, to receive the maximum rate of first advance for their deliveries. My information is that the Australian Wheatgrowers' Federation has already submitted its case to the Commonwealth Minister for Primary Industry for a higher first advance on wheat, and honourable members may rest assured that their case has my full support.

33. SUGAR EXPORTS TO U.S.A.

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

In view of President Ford's recent decision to triple the duty payable on sugar imported into the United States, what effect will this have on Queensland's exports of sugar to the United States this year?

Answer:—

The immediate purpose of the recent increase in import duty on sugar by the United States was to increase the price of sugar imported into the United States as a protection to U.S. domestic production. No adverse effect is expected on Australia's position relative to any other exporter to the United States.

Because of the stated high production costs of both beet and cane sugar in the United States, it may well be that importers in the United States will still find it advantageous to import free-market sugar and pay the higher duty; thus there may be little change in the short term. However, the ultimate effect of the increase in duty will depend on the continually changing supply/demand and other forces operating within the free market and cannot be forecast with any certainty.

34. BILOELA RAILWAY STATION

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

In view of the continually increasing amount of rail freight and associated railway loadings such as grain and fodder leaving the Biloela area, will he give due consideration to allocating a new railway station for Biloela to replace the existing old and outdated station in this fast-developing centre?

Answer:—

There has been no change in the position obtaining since my advice to the honourable member on 1 April 1976, when he asked a similar question of me.

It is, unfortunately, not practicable to entertain the request, having regard to the many demands on the limited finance available for capital works of this nature.

Nevertheless, the honourable member's strong representations will be kept in mind for when adequate finance is available.

35. QUEENSLAND PERMANENT BUILDING SOCIETY

Mr. K. J. Hooper, pursuant to notice, asked the Minister for Works and Housing—

(1) When will the Queensland Permanent Building Society produce its annual report for the last financial year?

(2) Will the report be produced within the time specified by the Building Societies Act?

(3) Will the recent amendments to the Act mean that the society will not have to mail this report to all of its members?

(4) Does he realise that many country and city building societies have already produced their annual reports for the last financial year and that they have mailed them at considerable cost to their members?

(5) Is this penalising the sound, efficient and well-managed societies which produced their annual reports soon after 30 June?

(6) Will he ensure that the accounts of the Queensland Permanent Building Society, which were qualified last year, are

advertised in a manner to inform members fully as to the performance of the society last financial year?

Answers:—

(1 and 2) The accounts, statements and reports required under the Building Societies Act 1886-1976 will not be available to members, depositors and creditors of the society before the normal time of publication of mid-October 1976. The Act prescribes that the annual general meeting at which the accounts are to be laid must be held within four months after the close of the financial year (in this case 30 June 1976) or within such extended time as the Registrar of Building Societies permits.

Because the society has not completed reconciliations of subsidiary accounts and consequently the external auditor has not completed his audit of accounts, the society has lodged an application for an extension of time. After examination and inquiry by the registrar's inspectors, an extension of time in which to hold the annual general meeting to 23 November 1976 has been granted on certain conditions, including the following:—

(a) Notice of annual general meeting is given not later than 30 October 1976;

(b) Accounts, statements and reports referred to in section 34AB of the Act are made available at the registered office and at each branch office of the society not later than 9 November 1976.

(3) It is the prerogative of this society and all other societies which have not as yet given notice of meeting to elect to avail themselves of the provisions of the Act relating to advertising of such notice in lieu of notice given by post.

(4) Yes. It is unfortunate that some societies have incurred considerable cost in mailing notices in accordance with the then existing provisions of the Act. In future these societies and their members will be able to take advantage of the recent amendments introduced by the Government.

(5) No. There is no statutory obligation for a society to hold an annual general meeting before the expiration of four months after the close of its financial year, and every society is entitled to take advantage of the law existing at the relevant time. It is not the policy of this Government to force societies to incur expenditure of investors' funds unnecessarily but to reduce, wherever it is prudent, those cost factors which tend to keep interest rates at a high level.

(6) My registrar will ensure that the provisions of the Act will be complied with.

36. RAILWAY DEPARTMENT HOUSING
AT BLUFF

Mr. K. J. Hooper, pursuant to notice, asked the Minister for Transport—

(1) Is it a fact that, despite objections from the Daringa Shire Council, the Railway Department has transported sub-standard dwellings to Bluff for the use of railway families?

(2) Were some of these dwellings transported from Mt. Morgan?

(3) Would not the cost involved in transporting and repairing these homes have been better spent on new construction?

Answers:—

(1) Four houses, no longer required in their existing location, have been re-located at Bluff. I am unaware of any objection having been received from the Daringa Shire Council.

(2) One house was transferred from Moongan and another from Bundaleer.

(3) No. Considerably less cost.

37. QUEENSLAND GOVERNMENT TOURIST
BUREAU AND BANKCARD

Mr. K. J. Hooper, pursuant to notice, asked the Minister for Tourism and Marine Services—

Does the Queensland Government Tourist Bureau at present accept the Bankcard system? If not, when does he propose to introduce this modern facility to the bureau?

Answer:—

Yes. Branches of the Queensland Government Tourist Bureau have been participating in the Bankcard system since June 1976.

FORM OF QUESTIONS

Mr. LESTER (Belyando) proceeding to give notice of a question—

Mr. SPEAKER: Order! The honourable member will come to the question, or I shall have to ask him to resume his seat.

Mr. LESTER (Belyando) proceeding to give notice of a further question—

Mr. SPEAKER: Order! The honourable member will have to frame his question differently.

QUESTIONS WITHOUT NOTICE

NEW BYPASS ROAD AND BRIDGE AT NERANG

Mr. GIBBS: I ask the Minister for Local Government and Main Roads—

(1) Is he aware that the volume of traffic travelling through Nerang and passing over the narrow Nerang River Bridge is increasing daily?

(2) Could he advise when the new bypass road and bridge will be built?

(3) Could he say where the new bypass road and bridge are to be located?

Mr. HINZE: Yes; it is a fact that the volume of traffic is now far too heavy for the narrow bridge at Nerang. The increased use has been brought about by the completion of the road from Nerang through Mudgeeraba to Burleigh. It is an excellent section of road behind the Gold Coast. People are using it a great deal and the volume of traffic there is reaching serious proportions.

The design of the new bridge is practically completed. Work will commence this financial year. The total cost of the job is estimated at \$1,200,000. We have allocated \$300,000 this year and the balance will be provided next year.

The bridge and bypass road at Nerang will be located slightly north-east of the present road alignment and bridge.

AGRICULTURAL COUNCIL RESOLUTION ON
STABILISATION OF BEEF

Mr. KATTER: I ask the Minister for Primary Industries: Can he give details of the resolution reached by the Agricultural Council on Friday of last week, and would it be correct to say that this achievement is another brilliant "first" for the Government of the State of Queensland?

Mr. SULLIVAN: As to the resolution of the Agricultural Council concerning a minimum price and a stabilisation scheme for the beef industry, I might say that the members of the Agricultural Council have agreed in principle to work towards stabilisation in this industry. We have made progress to the extent that officers from all States are to examine, under the chairmanship of my Director of Marketing, all the refinements and details. Their recommendation will go to the Standing Committee and to the Agricultural Council at its meeting on 1 and 2 February. I think this is a good step forward. It has to be talked over with the industry, but at least we have agreed in principle to work towards stabilisation.

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

POLICE (PHOTOGRAPHS) ACT
AMENDMENT BILL

THIRD READING

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

SUPPLY

COMMITTEE—FINANCIAL STATEMENT—
RESUMPTION OF DEBATE

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

Debate resumed from 30 September (see p. 791) on Mr. Knox's motion—

"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."

Mr. BURNS (Lytton—Leader of the Opposition) (12.10 p.m.): The longer I study this first Knox Budget, the more distressing I find it. Next year will be remembered as the year of post-war record high unemployment. The Budget of the Liberal-National Country Party Federal Government ensures that. This Budget reinforces that. Both the Federal and State Governments have deserted their proper responsibilities to the community. Both take action that will prolong economic stagnation and generate post-war record high unemployment. Neither will settle down and recognise the fundamental fact that selective stimulation to the economy can be properly and responsibly undertaken in present economic circumstances without rekindling inflation. Selective Government spending—especially in the construction industry in its many facets—can help get the economy going again, restrain unemployment rates, save people, especially the young, from the abject experience of going on the dole, and rescue many businesses from what will otherwise be certain failure. This can be done without unleashing a fresh bout of inflation.

This Government has washed its hands of responsibility towards unemployment. No matter how Government members dodge or argue, that's Liberal-National Party policy. That's the clear message of this Budget now before the Committee. For example, at the end of September in Maryborough there were 916 unemployed with 18 jobs available—in other words, 51 people were looking for every available job. In Nambour there were 1,684 people out of work with 30 jobs available, and there were 278 junior females unemployed with no jobs at all available for them. In Ipswich there were 2,209 people out of work with 53 jobs available and in Cairns there were 2,844 people out of work with 56 jobs available. In the Queensland metropolitan area there were 14,800 people out of work with 1,029 jobs available, and in the most distressing case of all, in the country areas, there were 22,000 people out of work with 956 jobs available. As I say, that's the sorry record of the Liberal-National Parties on unemployment. With the entry of a further batch of school-leavers in the next few months, the situation must become critically worse. And the Federal and State Liberal and National Parties couldn't care less.

This pessimistic Budget holds itself blissfully aloof from their agonies and cruelly indifferent to their problems. For example, what support has either Government given to the proposal of the Metal Trades Industry Association for Governments to spend an extra \$12 a week to rescue young people off the dole and put them into technical colleges on apprentice's pay? This scheme would allow them to start their training in readiness for absorption into the work-force as job opportunities became available. What of the employment crisis in country areas, which members opposite pretend to represent? Show me one glimmer of hope in this Budget for the Queenslanders who want to live and work in these regions.

The "Courier-Mail" newspaper of 6 October reported that the June census showed that, of 31 shires surveyed, more than half lost population in the past five years. All were in rural areas. That's the Government's record in decentralisation. This Budget makes their plight even more hopeless.

Let me quote some of the figures. The population in Tambo is down by 4.27 per cent. Tambo is situated in the State electorate of Warrego and the Federal electorate of Kennedy, both represented by the National Party. In Perry, which is west of Bundaberg, the population is down by 4.16 per cent. It is situated in the State electorate of Burnett and represented by a National Party Minister, and in the Federal electorate of Capricornia, again represented by the National Party. These are percentages of the population leaving the country, leaving electorates represented by Government members. The population of Aramac is down by 1.94 per cent. It is situated in the State electorate of Gregory and the Federal electorate of Kennedy, both again represented by the National Party. Gayndah is down by 1.96 per cent. It again is represented in the State electorate of Burnett by a National Party Minister and in the Federal electorate of Kennedy by a former Federal Minister of the National Party. The population of Kilkivan is down by 2.66 per cent. It is represented by the Premier in this Parliament and again by the National Party in the Federal Parliament. Longreach is down by 1.18 per cent. It is represented here by the honourable member for Gregory, a National Party member, and in the Federal Parliament by a National Party member.

Mr. Powell: Excellently represented, too.

Mr. BURNS: The honourable member says that they have been excellently represented, yet the population of these towns is dropping, people are out of work and there is not one thing in this Budget to help them. That is the sort of representation that they have been receiving, and they are continuing to receive it after honourable members opposite have had 10 days in which to study the Budget documents, which clearly indicate a lack of concern. On 4 November 1974,

before the State election, the Premier promised in his policy speech "Project help" to lower the cost of living and increase employment. Where is "help" now when these fair-dinkum Queenslanders need it?

Let me delve further to reveal the twinged deceit of the Liberal-National Parties towards unemployment. On 27 November last year, Malcolm Fraser said, in the Liberal-National Country Party policy speech for the 13 December Federal election—

"Only under a Liberal-National Country Party Government will there be jobs for all who want to work."

I ask honourable members to remember that quotation. What a sham! Ten months later, unemployment is higher and still mounting. Even the same Malcolm Fraser admits, Mr. Hewitt, that significant improvement is unlikely before the middle of next year, if then. That speech on 27 November was cynically titled "Turn on the lights". As far as out-of-work Queenslanders are concerned, the Government has not only switched off the lights but is now blowing out the candle.

Let me proceed further to expose Liberal-National Party hypocrisy on this subject. On 18 August this year, after the Federal Budget produced by his own Liberal-National Party colleagues, the probationary Liberal Treasurer in this Chamber commented—and these are the Treasurer's words—

"In the short term, the Budget will not do a great deal to relieve unemployment. It is at an unacceptable level."

That is the Treasurer's criticism of the Federal Liberal-National Country Party Budget.

Now that same Treasurer, less than two months later, has brought in his own Budget, which not only preserves unemployment at an "unacceptable level", but is designed to increase it. He has delivered a Budget which, to use his own phraseology, "does not include an array of new initiatives." It is little wonder that his own party members booed, hissed and heckled him when he tried to lecture them at the Liberal State Convention recently in Toowoomba.

Let me quote the Treasurer still further. On 2 October—two days after he introduced the Budget—he told that same convention in Toowoomba—

"Governments are not going to restore full employment, or even economic prosperity."

In effect, he has thrown in the towel or, using another boxing term, "taken a dive".

The Treasurer went further in that incredible speech in Toowoomba—and again I repeat his words—

"I do not pretend it will be easy to convince the electorate that things they have come to expect from Government can and must be done without."

Not only has he divorced the Liberal-National Parties from responsibility towards unemployment; now he seeks to deprive Queenslanders of services and benefits normally and traditionally provided by their Governments.

On 27 November Malcolm Fraser promised jobs for all who wanted to work, and now, less than a year later, we find the State Treasurer not only declaring "it's not on", but threatening to take away other Government benefits as well. I will tell you now, Mr. Hewitt, what these Liberal-National Party Governments have contributed towards employment recovery in their Budgets. They have frozen job levels in the Public Service, for ever depriving many young Queenslanders of a career in this field. Federal grants, totalling \$27,000,000 last year, for R.E.D. and special unemployment relief have vanished completely. This money was used by local authorities and Government departments to provide jobs, particularly in country areas. Even the Premier's electorate of Barambah benefited, despite his bigoted criticism of the R.E.D. scheme. The backlog sewerage programme is cut from \$15,000,000 to \$3,200,000—a savage set-back for Queensland, and particularly for country and provincial areas. Real spending from the Reforestation Trust Fund is down \$3,500,000; assistance to beef producers by \$4,400,000 in actual money; Commonwealth help to Aborigines by \$3,000,000 (again in real terms); and Federal grants for national parks and wildlife services by \$384,000.

In all instances this was money directed mainly to country areas—money that was spent locally and helped either to sustain employment or to increase it. The programme of lending advances under the Marginal Dairy Farms Reconstruction Fund is reduced by more than 50 per cent and Federal aid to historic buildings and tourist attractions by about 75 per cent. Commonwealth assistance to sport and recreation projects, which not only helped sporting organisations but also many small contractors, decreases by 33½ per cent in real terms, and the brake has been applied to suburban rail electrification and the Brisbane City Council's bus programme.

Everywhere I glance, Mr. Hewitt, we are feeling the pinch of Liberal-National Party austerity. Commonwealth loan funds increased in actual figures by 5 per cent; but when building costs are expected to rise by up to 18 per cent this year, there is a fall of at least 12 per cent in real work capacity.

Loan funds for industrial development are behind last year. Funds for works and housing are similarly treated and substantially slashed by 60 per cent in real monetary terms for pre-school centres.

There's nothing this year in this fund for the Northgate-Darra rail electrification section, for which \$486,000 was allocated in 1975-76 but went unspent. That's your colleagues' performance in employment, Mr.

Hewitt. They are the results of the Budgets introduced by the Liberal and National Parties. The National Public Works Conference set guide lines for projects by public authorities under which every \$1,000,000 granted provided \$350,000 for jobs. The Liberal and National Parties have surrendered their obligation towards the work-force of Queensland. They have turned their back on youngsters and families. They have told the 36,000 or more Queenslanders registered for jobs that, as far as this Government is concerned, they can rot on the unemployment scrap-heap. There is not even a faint ray of hope or sympathy in this depressive document for the school-leavers later this year, six out of 10 of whom are expected to go straight on the dole.

The statement of the Australian Statistician (Mr. Cole) on 21 September this year—

“More than 26,100 (one in eight) youngsters aged between 15 and 19 were still looking for jobs in August.”

—gives these young men and women little hope.

It is no use blaming Fraser federalism. This Premier endorsed it last September when no-one understood the concept. Liberal and National Party members applauded it—in either ignorance or deceit—through last year's federal election. In fact as late as February the Premier was still using public money to take media advertisements saying we should be “well pleased”. The shadow of Fraser federalism hangs over this Budget like a black storm-cloud and members opposite placed it there. Whether it is a school leaver who cannot find a job this year, a family who go poor for Christmas because the bread-winner is out of work, or there is no employment in the country, members opposite are the ones who bear the guilt. If this Budget is any evidence, they are not only guilty but they don't care.

Surely if the Treasurer imagined there were even faint prospects of the economic recovery promised last December, he would in current economic circumstances have budgeted for a deficit. Instead he has carved public spending, pruned public employment opportunities and punted for a marginal meaningless, unproductive surplus. The Treasurer is the architect of dole conscription. To him statistics are more important than people, their comforts and careers.

Let me turn from the painful problem of unemployment to yet another area of political prostitution by this Government, namely, taxation. We have all been regaled with what has been described as the “Petersen Plan”. In his 1974 policy speech the Premier detailed this proposal which, to use his words, involved—

“Freezing of income tax, the reduction or elimination of sales tax on goods that make up the Consumer Price Index and the reintroduction of consumer support on essential items.”

On 1 April, this year, in this Chamber when replying to the member for Rockhampton, he again repeated the plan, explaining that the income tax portion meant “freezing the aggregate collections at existing levels.” Once more he was forward to the helm in “The Sunday Mail” newspaper of 8 August this year, under the bannerline—

“Joh calls for Tax Freeze, Incentive.”

That article read—

“The Premier (Mr. Bjelke-Petersen) yesterday called for a freeze on taxation to boost private enterprise and reduce unemployment.”

In that report Mr. Bjelke-Petersen added that high taxation was robbing people of everything.

He said—

“It is hopeless for businesses to attempt any recovery unless there is some tax relief.”

Let me go back again to the Toowoomba oration of the new Treasurer. Here is his view on taxation—

“The time has come to reverse the trend towards more government, more regulation, and a larger bureaucracy.”

And he added—

“That means less government, and less taxation.”

They are noble ideals from the financial manager of a Government that, to the best of my knowledge, resorts to the secrecy of regulation more than any other in Australia.

Mr. Hewitt, I will now examine the track performance of tax abolitionists and tax prohibitionists opposite. In the New South Wales Budget of 29 September—one day before Queensland—the Treasurer of that State forecast an 11 per cent increase in over-all returns from State taxation. What is the position here in Queensland? I discover that, despite the elimination of death and gift duties, revenue from licences and permits is up 29 per cent and from State taxes by 20 per cent. This is the real recipe of the Premier and the Treasurer for less taxation.

In the past four years, since 1972-73, while the Premier has been blaming Canberra, revenue collections have increased by a staggering 130 per cent from State taxation and 88 per cent from licences and permits. Let me illustrate with some examples over that four-year period. Revenue is up 215 per cent from pay-roll tax (in fact, it rises 14 per cent this year, despite the Treasurer's concessions); it is up 96 per cent from stamp duties; 96 per cent from land tax; 83 per cent from bookmakers' turnover tax; and 64 per cent from totalisator and betting tax. So much for the “anti-taxers” opposite!

Allow me to glance further, at licences and permits. Financial collections are up 160 per cent from liquor; a frightening 278

per cent from traffic (pity the poor motorist!); 143 per cent from auctioneers and agents; 69 per cent from fishing; and 265 per cent from miscellaneous fees.

But even with such a rake-off over the past four years, this Government is still not content. This Budget lifts hotel licence charges from 7 to 8 per cent, which, in practical terms, is a rise of 14 per cent, and proposes undefined rises in fees for Supreme Court, District Courts and Magistrates Court services and for registration of factories, shops, business names and so on. The Treasurer does not say how much the rises will be in these cases, but if past history is any guide they will be steep.

Perhaps we can gain some inkling of what to expect from similar adjustments made last financial year. I shall quote just a few examples to demonstrate the scope of the rises that this Government feels are fair and just for Queenslanders. On that occasion, licences and permits went up 200 per cent for motor-business managers, 133 per cent for real estate managers, 100 per cent for both motor dealers and salesmen, and 150 per cent for fishermen. That's the real record of members opposite, who proclaim piously that they want less taxation. This Government is made up of unashamed hypocrites and impostors. It is committing taxation extortion on Queenslanders and at the same time trying to deceive them by calling for tax cuts.

To turn to another subject—it's the members opposite, the members of the Liberal and National parties, we can thank for the Medibank tax that started coming out of our wages on 1 October.

Government Members interjected.

Mr. BURNS: I knew Government members would begin to moan. They do not like being caught with the facts of life. They have deceived the people of Queensland through misleading advertisements, lies and rubbish. The Government members are the destroyers of the free hospital system, which survived in this State for more than 30 years.

Remember those glorious promises that were made before the Federal election on 13 December? They have all been brutally broken. Here's one from Malcolm Fraser as reported in "The Courier-Mail" on 12 December—

"Medibank, pensions, education and social welfare will all be strengthened by honest, responsible Government."

What political garbage! Instead of being strengthened by honest, responsible Government, they have been betrayed by dishonest, irresponsible political opportunists.

On page 12 of his 1974 policy speech, when speaking of health services, Sir Gordon Chalk said—

"If the Federal Government insist on imposing more taxes on you for their scheme then we will again oppose them.

If they persist and levy this additional tax on you for a free hospital service you already enjoy then we will fight to ensure that the additional taxes come back to Queensland for improved services throughout the State."

Labor finally introduced a plan without a levy, not the 2.5 per cent now compulsorily conscripted from the workers' pay packets by Malcolm Fraser.

What have Government members opposite done to protect Queenslanders against this fresh tax slug, as they promised they would do in 1974? Now that the Whitlam Government has left office, they are complacent in their consent. In the light of Sir Gordon's statement, what guarantees has this Government extracted or sought from Canberra that the money paid by Queenslanders in this additional levy will be returned to the State for local expenditure? As recently as yesterday a member of my staff telephoned both the Treasury and the Health Department inquiring how much Queensland would receive under the Medibank agreement and neither department could give an answer. No-one knows what we will get.

In "The Courier-Mail" of 3 December, under the headline "You Lie Mr. Whitlam", there appeared this advertisement written by that delicate darling of the National Party, its secretary, Mike Evans—

"Medibank will be maintained intact." On the same day and in the same newspaper Evans promised in a statement—

"Medibank will be maintained and not scrapped, down-graded or prostituted, and Queenslanders do not face a double tax."

I leave it to Queenslanders—the innocent victims of this Government's treachery—to judge who was lying and who was the political prostitute. Less taxes, the Government says. What nonsense! This Government has given us a new unwanted health tax and harsh, higher rates on existing ones.

From 1 July next year, if Fraser federalism persists because of members opposite, we face the prospect of double taxes with the terrifying disadvantages that hold for a State such as Queensland, large in area but sparse in population. Government members are tax inflaters, not tax reducers as they pretend.

If proof were needed of the price of this Government's deceit, it came last week-end (October 10) from the financial writer of "The Sunday Mail" (Jack Lunn), who reported—

"A staggering 350 per cent—that's the sort of cost increase you and I are now paying for medical and hospital insurance."

He continued—

"And when you talk about inflation there's not much could beat that percentage since pre-Medibank days to last week."

Lunn calculated his figure by comparing the medical benefit fund top rate in pre-Medibank times to the present charge.

He found the top medical benefits rate now was \$10.15 a week (\$527.80 a year) compared with a previous peak of \$4.58 a week (\$238.16 a year). Under the Fraser scheme the \$527 annual payout is not a tax deduction. The \$238 pre-Medibank premium was. Not only are the Liberal-National Parties making Queenslanders pay for services that were previously free but they're forcing a 350 per cent increase upon people who have relied on private insurance. No wonder October 1 will go down in history as Fraser's Friday.

It doesn't matter now how Government members opposite duck for cover, apologise or protest. They wanted Fraser. They recommended him. They defiled every known parliamentary ethic and convention in this country to get him. He's their product and they're stuck with him. His guilt is their guilt.

Later in my speech I will refer in greater detail to pay-roll tax, which has doubled in five years under this Government, and death duties, which vanish in the present Budget. But first I raise a subject which, I believe, is causing serious worry and concern to thousands of Australians. Frankly I'm shocked at the anti-Australian tone of many recent reports of the Industries Assistance Commission, known as the I.A.C. I know this commission was founded by the Federal Labor Government, but I believe it is now drifting dangerously from its original charter.

We can't tell industries to confidently expand and employ while we have a Government body recommending their closure. From some of its recent decisions, the I.A.C. could properly be renamed either the "Import Assistance Commission" or the "Industries Annihilation Commission".

Mr. Moore interjected.

Mr. BURNS: The honourable member ought to listen closely to me, because I think he will agree with me on this matter. It is time we had a close look at the type of reports that the I.A.C. is bringing down and the recommendations it is making to close down industries. I remind Government members that recently a report went to the Fraser Government recommending the disbanding or the phasing out of the I.A.C., but the Fraser Government refused to take any action on it.

The I.A.C. has become an evil "God-father" to local industries—"The Liquidator." This Government commission continually makes recommendations that would put Australian men and women out of work. For example, it has recommended the close-down of the Australian footwear industry at the rate of 1,000 jobs a year over the next six years; the phasing out of the nitrogenous fertiliser bounty to sugar and other Queensland tropical industries; and the export of 7,000 Australian shipbuilding jobs to Japan.

While workers accept wage restraint to fight inflation, the I.A.C. recommends petrol price increases amounting to more than 17 cents a gallon. Imagine the sweeping cost effects of this decision, particularly in country areas. Today I read in the R.A.C.Q. magazine "Road Ahead" a suggestion that transport costs amount to 30 per cent of the price of most goods. So when the I.A.C. recommends increasing the price of petrol by 17c a gallon, it is talking about a tremendous added cost to people in the country areas of this State.

Mr. Alison: Could you give us a few words on what the unions have done about this?

Mr. BURNS: Yes, I will have a few words to say on it in a moment, and I will use the Premier's words to prove what the unions have done about it. I am glad that the honourable member made that interjection. They will be calling him "Dorothy Dix" up in Maryborough when they read what he has just asked me.

However, let me return to the I.A.C. Instead of guiding industry back to prosperity, the commission's meddling is shattering confidence and retarding economic recovery. Last Thursday, 7 October, in "The Courier-Mail" the Metal Trades Industry Association accused the I.A.C. of jeopardising hundreds of thousands of jobs unnecessarily by harassing industry. I agree with the association. So did five major clothing manufacturers, who criticised what they termed the "essentially destructive recommendations of the I.A.C."

This commission has become the creature of lofty, airy-fairy economics that places academic accountancy before jobs and people. It's no good having cheap foreign goods in our shops if the worker has no job or money to buy them. If the I.A.C. refuses to become more constructive in its recommendations, I say it should be disbanded. My stand is perfectly clear. Where Queensland employment and Queensland productivity are at stake, I'm protectionist to the hilt and proud of it. I want increased international trade. It's essential. But I won't silently tolerate schemes that will fill our stores with cheap shoes from Hong Kong, Tokyo or Peking while local footwear workers are thrown into unemployment at the rate of 1,000 a year.

We have the tragic plight of G.E.C. Recently I spent some time out there looking over the place and talking to the bosses and the workers. The employees of that company, some after years in the job, have been sacked while imports stream into the country. I point out that the I.A.C. has been studying the electric motor/transformer type of industry for about four years and has not completed its report yet. During that time it has reduced the confidence of the industry or the business managers of the industry.

I suggest that the Federal Government should adjust its priorities. It should order the I.A.C. to investigate effective means of tariff protection for struggling local industries instead of continually opting for the easy economic solution of closure. It is incredible that Government advisers can be paid substantial salaries to promote unemployment and economic depression. And that is what it seems to me that the I.A.C. is doing regularly. Honourable members opposite, who were so vocal in the days of the Labor Government in Canberra, should be applying pressure on their Canberra colleagues in this particular issue.

This Government cannot continue to blame the Whitlam Government or the unions for the I.A.C. report. The Whitlam Government left office on 11 November last year. If the I.A.C. is pursuing a destructive course that hinders economic resurgence, as manufacturers allege, it is the fault of this Government and the Liberal-National Country Party Government in Canberra. Nobody can cheat his way around his own responsibilities. The five clothing manufacturers whom I mentioned earlier warned in last Saturday's "Courier-Mail" that unemployment would worsen considerably in the next year if the Federal colleagues of this Government did not do more to rekindle confidence and investment.

After the battery of promises last year, I want to know what the Government intends to do now. Certainly there is nothing in this dismal Budget to prompt an early economic upturn. It is no use the Government hiding behind the excuse of wage increases to conceal its failures.

At the Premiers' Conference in Canberra on 10 June the Premier said, according to page 156 of the transcript—

"Mr. Lynch spoke of wages being the cause of a lot of our troubles. As I have said at different times, high taxation and high sales tax are the big cause of high wages. It is a case of one chasing the other."

Never once did he mention the unions. He referred only to high taxation and high sales tax.

The Premier continued—

"At some time or other the Commonwealth must take a look at holding and stabilising sales tax."

The Premier admits that it is not trade union aggression that is pushing up wages; it is the taxing policies of the Liberal and National Parties. What has been done in this Budget to heed the Premier's warning? Precisely nothing! In fact, the Government has budgeted to draw an extra 29 per cent in revenue from licences and permits, and an extra 20 per cent. in State taxes.

If the Premier is sincere, why doesn't he demand that the I.A.C., instead of hounding industry, examine ways in which sales tax on locally produced goods could be reduced or dropped? This would be a positive means

of lowering prices, of making industries more competitive, of stimulating production and of creating the atmosphere for increased consumer demand. I believe that this Government is limping along without direction, hoping for miracles; and they are just not materialising.

That is clear from the report of the Federal Government's Prices Justification Tribunal on 5 October. This is the Prices Justification Tribunal that the Liberal-National Parties promised during the election campaign would be done away with. The tribunal said that the economy was showing no signs of a definite recovery. At that particular time it added—and this is its finding—

"The information which the tribunal receives does not establish that recovery is well advanced or that its continuance is beyond doubt."

That was reported in the "Australian" on 6 October—only a few days ago.

The A.C.T.U. President (Mr. Bob Hawke) said on 5 October—and it also was reported on 6 October—that a reduction in indirect taxes would relieve the demand for higher wages and would have an immediate effect on inflation. His suggestion was supported by both the Chamber of Manufactures and the Retail Traders' Association. But not even a whisper of endorsement came from the avid anti-taxers in this Government. I believe that this Government is too busy trying to provoke trade unions into unnecessary, fabricated turmoil to listen to positive recommendations for economic upturn.

To further dispel the illusion that wage rises are the sole "evil" behind inflation, I turn again to the State Auditor-General's report on 23 September. It was reported in the "Australian" under the headline, "Queensland still gets a \$6.2 million bonus." After budgeting for a \$5,500,000 deficit last financial year, Queensland finished with a \$714,219 surplus because, to use the Auditor-General's words, "Wage increases were much lower than anticipated." He does not say that the unions have been looking for too much money. The Government estimated that the unions would seek far more money than they in fact sought last year; in essence the Government overestimated the amount of money that they would be getting.

Mr. Elliott: That is because the Federal Government has tightened the inflationary belt.

Mr. BURNS: In fact that is not what it says. As the honourable member would know, that is completely wrong. It is all right to make interjections so long as they can be backed up with fact about the inflation rate. Wait till the end of the financial year. It is confidently predicted that the annual inflation rate will again be about 14 per cent. If that is so, there has not been any substantial reduction in the inflation rate this year and the honourable member's claim is entirely false.

The Auditor-General admits that workers have been restrained in their demands, but what has been the response of Government members? They have given the people the Medibank tax to further deplete real income values and now, for paltry political purposes, they are striving desperately to niggle workers into unnecessary, unwanted strikes. The workers are playing their part in economic recovery; the Liberal and National Parties are not playing theirs. What has the Government done in this Budget to ensure preference for local goods and companies in Government purchases and tenders? I say, "Nothing." I know that workers at Com-eng and other places have been sending telegrams to the Government on this matter. I have copies of such telegrams in which they have demanded that work contracts in Queensland be done by Queenslanders. One that I have in my hand reads—

"Case in point, we demand that all work on the electrification of Queensland railways be done in Queensland."

It is signed by A. McDonald, Secretary, Shop Committee, Com-eng, and it was sent to the Premier.

The Government's approach to the problems facing the Queensland work-force is confined to industrial confrontation and disruption. I am reliably informed that local companies that are trying to sustain jobs have lost important contracts to interstate competitors. People on the Gold Coast have telephoned me to say that competitors in Tasmania and other places are beating them in tenders because in some areas Government and semi-Government instrumentalities are not providing the preference necessary to protect Queenslanders.

According to my information, a considerable amount of equipment in the recently opened Gladstone Power House came from overseas. On 1 October, Malcolm Fraser announced a plan that promised preference to Australian companies in the letting of Federal Government contracts. I hope that that is more sincere than most of his other promises. The Victorian Government did exactly the same thing on 20 September; it proposed a preference scheme for approved country industries that tendered for Government and semi-Government contracts.

What has the Government done for Queensland companies in this Budget? Again it has done precisely nothing. The Dunstan Labor Government approved on 4 October fresh incentives for industries to become established in country areas of South Australia. Under that scheme firms will be given 100 per cent rebate on pay-roll tax, relocation grants up to \$25,000 for a business and \$500 for each key employee, assistance in building factories and State Government guarantees. That is an excellent scheme. There is not a hint of anything similar in the Queensland Government's negative Budget.

This Government is too involved trying to add to the problems of local companies through politically provoked stoppages to

bother about helping them. Workers at Commonwealth Engineering are being dismissed whilst a Federal Government contract that could save their jobs lies waiting for signature in Canberra. The tender had been approved and was on the Minister's desk when the change in Government came about. The tender remained there until finally the new Federal Government decided not to go ahead with it. Workers who had been on the job, in some cases for 20 years, are leaving. Boilermakers and other tradesmen who are not dole bludgers and who want to work are being thrown on the scrap-heap as a result of a decision made by a Government of the same political colour as honourable members opposite. They cannot run away from that situation.

There should be a rigid assurance that Queensland industry and goods will receive first preference in all Government and semi-Government purchases and contracts. There is not such a preference at present. As I have already said, the Government's interest in Queensland starts and stops at union provocation.

I turn again to the Premier's "Project Help". One of its four key points was described by the Premier in his 1974 policy speech as "the rail life-line scheme." He said—

"We will continue to resist pressure by the Federal Government to raise freights and fares and to close uneconomic branch lines."

In his policy speech for the same election the then Liberal Party leader, Sir Gordon Chalk, said in Brisbane on 14 November—

"We will continue our policy of providing the cheapest possible fares and freights for all Queenslanders."

They were National-Liberal Party election promises and the Government was elected on those promises. Within 12 months those undertakings were dishonoured. That is the kind of "help" that the Government promised Queenslanders. The Budget proposes the second increase in rail fares and freights in less than a year. They were increased last year by an average 40 per cent and they now rise again by a further 15 per cent. Let honourable members opposite remember those promises to the people.

The new Treasurer went further on this occasion and issued the following warning to rail users—

"I would 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 other words, rail users had better prepare themselves for the worst.

Last year when fare and freight details were finally disclosed, the 40 per cent increase conveniently quoted in the Financial Statement proved to be a false figure.

Many people, particularly in Brisbane, found themselves paying up to 130 per cent more (not 40 per cent as stated) to travel by train.

I predict the same deceit will apply again and I challenge the Minister for Transport to come forth and announce the new tables in the course of this debate, so that Liberal Party members representing the Brisbane suburban areas can discuss the way suburban train travellers are being treated. There's no doubt in my mind that fares for most passengers in Brisbane will rise by 25 per cent, 30 per cent or even 50 per cent as a result of this Budget. Some rail travellers will have been forced to absorb fare increases of over 150 per cent inside a year.

The higher freight charges, particularly in country areas, will, of course, be passed on to consumers through increased prices, thus adding to their inflationary problems. Also, as wage adjustments are based on capital city living costs, country people—because of this Government increase—will fall further behind in their struggle to maintain real wage values. It is pleasing that the beef and grain industries were exempted from the freight rises, but I would like to know why, if the railways are to be utilised as a selective subsidising agency for primary industry, sugar, dairy and other rural producers were not accorded similar treatment.

While on the subject of rail, I ask the Minister for Transport to provide a clear statement in this debate on the suburban electrification programme. Is this programme running on schedule? Will the first link from Darra to Ferny Grove be operative next year as promised, or, as I suspect, will the long-awaited electrification be yet another casualty of the Fraser federalism that the Premier so glibly accepted on our behalf?

I refer now to some of the all-too-few concessions in this Budget on pay-roll tax, death duties and workers' compensation premiums. There is little doubt that the concessions granted are far too sectional and restrictive to provide any significant stimulus to over-all economic resurgence and future development. They are not growth concessions. In the case of workers' compensation, as I will prove, it is artificial saving.

Let us look firstly at pay-roll tax. This is a Liberal-designed tax on employment. Honourable members will recall that when the Fraser Federal Government wanted to give some sort of growth tax to the States it decided to hand over pay-roll tax. Since responsibility for this tax was transferred to the States in September 1971, the rate has doubled to the present level of 5 per cent. It has been doubled by the State Government and Government members cannot blame Whitlam, the Labor Party or anyone else. It has been doubled by the Treasurers of this State. Revenue collected in the past four

years alone has, as I mentioned earlier, risen by 215 per cent and now accounts for 49.9 per cent of all State tax receipts compared with only 36.4 per cent in 1972-73. The Government has balanced its Budgets by the severity of this levy on jobs.

In country areas small employers have been persecuted and fined by this Government in cases where their wages bill, because of inflation and unexpected overtime, strayed accidentally over the exemption level. Every time there is an election, members opposite pretend they dislike this tax, but their record shows they have been more than over-eager to not only collect it, but to increase it. This is what the United Graziers' Association President (Mr. W. E. Meynink) thinks of the Government's performance in this field, according to his column "The President says"—

"In 1971 when the States took over the collection of pay-roll tax, this tax represented a reasonably moderate cost payable out of profits. In 1976, it has become a major cost for all cattle and wool producers and is adding to our losses."

Mr. Meynink added (and he speaks for the people the National Party members claim to represent)—

"The effective increase in pay-roll tax paid by individual employers has been a massive 300 to 400 per cent . . . Wool-growers are forced to meet pay-roll tax imposts of from \$200 to over \$1,000 involved in shearing contracts, even though they would not be liable to pay this tax if they conducted their shearing themselves."

The Government might pull the wool over some people's eyes with its hypocrisy on this tax, but it is certainly not pulling the wool over the eyes of primary producers.

Mr. Elliott: What did Mr. Meynink have to say about the wool-bale dispute?

Mr. BURNS: I don't know. I have not got my copy of "Country Life" this week, but when I do I will read it and see if we can help the industry, because obviously the National Party is not doing so. The new Treasurer, in his Financial Statement, claimed the levying of pay-roll tax was, to use his words, "very similar in its anti-social effects to the early hearth tax and window tax." If that is his genuine attitude—if he sincerely believes this tax is "anti-social"—then what has he really done about it in this Budget? He most certainly has not reduced the basic rate which his Government has doubled in the past five years. In fact, despite a long-overdue lift in the exemption level, he aims to collect 14 per cent more through these anti-social means in 1976-77 than he did last year.

This Budget increases the maximum exemption limit by 50 per cent to \$62,400 from 1 January next year. It rises again to \$83,200 from 1 July, reaching a peak exemption of \$100,000 on 1 January 1978.

What was the reaction of business to these cuts? It was far from enthusiastic. The general manager of the Confederation of Industry (Mr. Bruce Siebenhausen) commented on 30 September—

“A minority of businesses in the small classification will gain from the pay-roll tax exemption. But what that benefit will amount to in real terms by the time the exemption rate is at its maximum in January 1978 is anyone’s guess.”

The Opposition contends that the Government’s concessions are far too inadequate to make any noticeable contribution towards increased employment. Surely even the Treasurer, in all his naivety, does not imagine that a small businessman who now falls marginally below the new exemption level is suddenly going to create jobs that will immediately make him again eligible for the tax. The Government’s proposals may, in some cases, save existing jobs that were under threat, but it will do little towards opening new ones.

The Budget does nothing to assist small businesses that were already exempt from this tax. In fact, through increases in other areas of revenue collection, it will add to their present cost burdens. In the current employment crisis, it does not go anywhere near far enough to assist job recovery.

I believe that the Government should have grasped the opportunity to offer pay-roll tax amnesty to firms for each additional new position created in the next 12 months. It would not apply if someone was put into an old job; but if a new job is created, the Government should say to the person creating it, “You will not pay any pay-roll tax on that job. The wages you pay will be free of that impost for 12 months.” That would provide a real employment incentive to all businesses in Queensland irrespective of size. The Government should have doubled the maximum exemption level immediately to at least \$83,200 instead of waiting, while unemployment mounts, until 1 July next year. Certainly, with quarterly wage adjustments, it should have indexed the maximum exemption limit so that the purpose of the concession will not be eroded by inflation.

Let us look now at workers’ compensation. If ever I saw an exercise in political trickery, this is it. On 1 February last year, the Government increased premiums by 25 per cent and reduced merit bonus levels by 10 per cent. It now plans to reduce the premium rate by 10 per cent and to restore merit bonuses to their previous levels. What an incentive towards employment! Employers are expected by the Treasurer to welcome enthusiastically an obviously reluctant concession that still leaves them paying 15 per cent more in premium rates than they were 21 months ago. Who does the Treasurer think he’s kidding? If he were legitimate in his stance towards employment, he would, at the very least, have reduced this charge to its level of February 1975, when

his Government increased it. If the Treasurer honestly imagines that Queensland businessmen will tumble for this piece of economic skulduggery, he credits them with far less sense than I do.

Next I turn to death and gift duties. This Budget abolishes succession taxes on estates of persons who die on or after 1 January next year and on gifts made on or after the same date. The Opposition welcomes relief from any forms of taxation, provided that the relief is not countered by higher charges from alternative directions. It was Labor, in its 1972 policy speech, that proposed the elimination of death duties spouse to spouse, which this Government later accepted and introduced.

I sincerely hope that the removal of this tax in this manner will not be grasped by the revenue collectors in Canberra to damage Queensland’s case as a claimant State before the Grants Commission. This has been a major source of revenue for Queensland, netting the State \$36,500,000 in 1975-76. We can only assume that the Premier investigated through the Premier’s Conference what effect abolition of death duties is likely to have on this income level.

Because of the delay in lodgment of estates for probate, the abolition of death duties—timed, as it is, from 1 January—will have little over-all effect on taxation receipts in this Budget. The Treasurer anticipates a return of \$25,500,000 this financial year, compared with \$26,800,000 in 1975-76. In essence, our generous Government is going to lose only \$1,000,000 this year by this cut.

It must also be remembered that this is a sectional charge affecting a small minority percentage of the population. The former Treasurer (Sir Gordon Chalk) had reservations about its complete abolition at this time, but he was overruled in Cabinet and by the joint Government parties. Did the Government, in the current economic circumstances, consider the comparative effects of a less dramatic abolition, with corresponding cuts in other tax fields, and the result it may have had on assisting over-all economic recovery? For instance, did it consider whether progressive elimination at this time may have permitted it to grant also relief from land tax, as has been done in South Australia? On 2 September the Dunstan Labor Government abolished rural land taxes and greatly reduced metropolitan rates. Under that new scheme in South Australia no-one in rural areas will pay land tax.

In the past four years revenue from this tax in Queensland has risen by 96 per cent to an estimated \$12,000,000 this year, compared with only 31 per cent from death duties.

The Opposition, as I said, welcomes taxation relaxation. We are aware that in the past succession duties, as they have been applied by this Government over 20 years, have caused great hardship and suffering to

many families. The effect will not be felt in State financing over the next 12 months. It is in 1977-78 that the sincerity of the Government's actions will come forward for public judgment. The Government will be guilty of cruel, irresponsible deception if we discover it has merely grandstanded on this issue and then juggling the books through higher charges in other revenues. This tax has gone and no-one wants it back, but likewise Queenslanders do not want fresh or higher alternative taxes and charges to compensate for its departure.

Before leaving this question I note that the Treasurer says in his Budget speech—

"I have every confidence it will bring to the State substantially increased private capital and real estate investment in the months ahead."

Let me sound a word of warning here. Already in interstate advertisements real estate developers, particularly on the Gold Coast, are quoting the pending elimination of death duties as a sales attraction. We want investment, whether it comes from interstate or overseas, but it will be counter-productive and destructive if any sudden influx of funds is used to push up land and housing prices on domiciled Queensland citizens.

The next topic I propose to discuss is police. In presenting this Budget, the Treasurer announced the recruitment of an extra 228 police officers this year. He said—

"Recruitment of this number of personnel by the Department will 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."

I hope it will but, in the light of further examination of the Budget papers, I am entitled to be sceptical.

When I turn to the Police Department Estimates, I discover at page 66 that according to the Government's own statistics, the anticipated strength of the force at the end of this financial year is 4,901—seven fewer than at present. Perhaps the Treasurer can explain how he proposes to achieve the expansion of all those services he declares in his Budget speech with a reduced number of police officers. The simple fact is that this Government has throttled morale in the force so effectively that resignations and retirements swallow gains from recruitment. The department is losing experienced police officers and filling their vacancies with trainees.

The Premier, in his 1974 policy speech said—

"We have decided to increase our Police Force by 5 per cent a year, to keep ahead of the normal population increase of 3 per cent."

His Treasurer claims that the recruitment planned this financial year represents a rise of 5.6 per cent. All I can say is I am bewildered how either can claim credit for growth when his own Government's estimated figures indicate that the police numerical strength is falling.

The Opposition believes that with the frightening rise in violent crime in Queensland there should be a progressive police recruitment campaign. Enlistment should not be strictly confined to 5, 6, 7 or even 8 per cent by Treasury statistics. We need more police and we need them now.

Even more importantly we must restore police confidence to stem the flow of trained officers leaving the force in disgust with the administration. There are suburban police stations in Brisbane which, because of short-ages, are compelled to keep what I would term office hours. They are closed at night when violent crime is most likely to occur. The Government has even cut back on the amount of money to be spent on police stations this year.

As far back as 1974 the Police Commissioner (Mr. Whitrod), in his annual report to this Parliament, warned of an upsurge in what he described as "clockwork-orange type crimes of violence." What has the Government done about it? The Premier screams "law and order" every time he sees a student in the street. There are dozens of police instantly available to guard the Governor-General when there is not a single demonstrator in sight. But what has the Government done to protect housewives from attack in their homes, to stop innocent citizens being mugged in the streets or terrorised on late-night trains and buses? The Government has talked a lot but achieved nothing, and this Budget, if the Treasurer's own figures are accurate, aggravates its record of failure. The Premier wants political police, not crime detectors and crime preventers. There are areas in this Budget where statistics are vague and difficult to analyse in broad prospective.

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

Mr. BURNS: Before the luncheon recess I was referring to those areas in the Budget in which statistics are vague and difficult to analyse. I was referring particularly to housing. Under the heading "Commonwealth Government Expenditure Restraints", the Treasurer says—

"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."

He went on to say—

"This is clearly illustrated by a comparison of the number 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 it will be able to complete only 800."

That is the Treasurer's statement. I am unable to ascertain from a perusal of the statistics just what other funds, if any, are available to increase the commission's construction programme. But it is fairly obvious that the high-employment building industry, which is gravely depressed in Queensland, can't look forward to any major stimulant from this Government. At the very best, commission activity must lag behind that of past years.

A reduction from 1,300 to 800 means that 500 houses are not going to people in search of homes. Furthermore, a reduction of 500 in the number of houses built means that there will be 400 fewer jobs for builders and a lower demand for building materials such as corrugated iron and timber. This cut of 500 homes will have widespread effects throughout the community, particularly in employment.

Mr. Byrne: That is a non sequitur if houses are being built elsewhere.

Mr. BURNS: I am talking of this Budget and what it does to the housing industry.

As I see it, the waiting periods for Housing Commission accommodation, which already are up to three years, will grow longer. Thousands of young Queensland families will see their incomes evaporate in private rentals while their applications gather dust in departmental files.

Here again is an area where, I believe, the Government, if it is legitimate in its approach to recovery, should have budgeted for a controlled deficit to boost both employment and construction.

Last December, before the Federal election, members opposite promised reduced home interest rates. But like so many other promises, that one, too, was broken. Twice within three months this year this Government increased the lending rates to their present level of 11.75 per cent. Healthy building societies were forced to the brink of collapse, firstly, by the Federal Government's 10.5 per cent savings bond issue and, secondly, by this Government's own ill-judged actions and statements. Some of the building societies went into liquidation and others into amalgamation. Their lending capacity for home construction was destroyed and is only now beginning to exhibit signs of recovery.

Last week the Federal Government increased the investment rate on its Australian savings bonds from 9.2 to 9.5 per cent. This is a move that will no doubt lead to pressure and to higher rather than lower interest rates of building societies. I deplore this constant trend of the Liberal and National Parties towards inflation through interest rates.

But it is this Government's record, and it cannot run away from it.

I believe this Budget presented the opportunity for the Government to provide at least a faint ray of hope to the building industry and to young people either repaying loans or waiting for homes. The Opposition believes that interest rates should have been lowered by at least 1 per cent as a signal to the industry and the public that the Government is anxious to boost building activity.

Before I quote some of the Premier's statements on housing, I want to mention a matter that came to my attention today. A lady in my electorate is living at Lindum in a Housing Commission home that is nine years old and valued at \$23,900. She rents it at \$26 a week. She decided she would like to buy the home, so she went and saw the Housing Commission, which said, "Yes, that is all right. It is valued at \$23,900, and you can pay \$157 a month for 42 years." That means that on that home valued at \$23,900 the repayments will amount to \$79,000. She will be paying \$1,884 a year in repayments, whereas if she continues to rent it, she will be paying \$1,352 a year in rental. In other words, she can save \$530 a year by not buying the home. I understood the Government's policy to be one of selling Housing Commission homes; I believed the Government was interested in providing homes for the people. The policy that it is implementing through the Housing Commission, however, means that it is a better proposition for this woman to continue to rent the home for the next 42 years. Her husband won't be worried about the fact that when he reaches 64 years of age he will still be paying it off. She will be paying rent on the home and will be guaranteed tenancy of it as long as she continues to pay the rent.

Mr. Melloy: She'd be paying rates on top of her repayments, too.

Mr. BURNS: That is right. She would be paying that amount in addition. Here is a lady who wants to buy a home but who will be \$20,000 worse off because of the Government's policies on housing and interest rates.

Mr. Lindsay: What would the rent be in 45 years' time?

Mr. BURNS: The way this Government has been putting up the rents for Housing Commission homes, I would say that she will have problems there, too. At least in the present circumstances, she would be considerably in front. If the rental is increased, she would still be substantially in front financially in 42 years' time—still living in the same home with extra money in her pocket.

At a time when home-building should enjoy high Government priority for the role it can, and must, play in the process of

economic resurgence, the Government is relegating it to secondary status. In his 1974 policy speech, when he wanted votes, the Premier said—and these are his words—

“Getting a home is now almost impossible for married couples and families. They cannot get finance and cannot afford the crippling interest rates.”

That is on page 9 of the National Party policy speech of 1974. Of course, at that time the Premier blamed the Whitlam Labor Government. Sir Gordon Chalk, then Liberal Leader, on page 7 of his policy speech was equally gloomy. In his policy presentation on 14 November 1974 he said—and I can almost see the tears when I read his statement—

“Even the housing industry, the great barometer of the State of the national economy, has become a calamity. Two years ago young people could look forward to buying a block of land, building a home and paying it off at reasonably low interest rates. Today, however their dreams are shattered.”

What do Government members say now that they've got Malcolm Fraser, not Gough Whitlam, to blame in Canberra? They have produced their own Budgets. Taxes and charges have been increased in our Budget and in the Federal Budget. Let us remember that Malcolm Fraser in his policy speech “Turn on the Light” suggested that in the first six months he would work miracles. I will refer the Committee to that in a moment.

What do the Liberal and National Parties say now when their own Treasurer admits that federal funds for welfare housing are substantially lower in real terms than they were then? What does this Government say when its own bungling and broken promises have increased, rather than decreased, interest charges, and sabotaged the lending capacity of building societies? If the building industry is “the great barometer of the national economy”, as Sir Gordon contended on behalf of the Government in 1974, then the country must be in woeful shape today under Malcolm Fraser and Joh Bjelke-Petersen.

This Budget deepens the industry's depression. I'd like to see members opposite go out and convince the industry that it's really in better condition than it was in 1974, and convince the young couples who can't get homes, that they shouldn't complain now they've got the Liberal and National Parties to protect their interests in both Canberra and Queensland. I say of members opposite: they're hypocrites; they're cynics; they're failures. If they're proud of their housing performance—the homes that can't be built, the exorbitant interest scales, the injured building societies—they should go out and say so publicly. They haven't the courage. They're silent in their shame.

In 1974, and still last year, Liberal-National Party members screamed political abuse against Gough Whitlam and exported their sins and deficiencies to Canberra. The luxury of that escape route has disappeared. They're captives of the very Fraser federalism which, in their haste to wreck the democratic procedures of this nation, they endorsed, applauded and advocated when they didn't even understand it. The price of that federalism now stares them in the face from almost every page of this Budget, and they can't evade it.

Mr. Jensen: They're very quiet now.

Mr. BURNS: Of course they are.

This Government was either fooled by Malcolm Fraser or stands guilty of deliberately misleading Queensland. Let me quote from his policy speech on 27 November. This was a supplementary statement headed “The Economy Now—a Serious Crisis”. Under the subheading “The Strategy for Recovery—the First Six Months”, Malcolm Fraser said—

“The six months immediately ahead (December to June) have to be a staging post for the major reforms of the three-year program. During this time three principal objectives will be pursued.”

These are the objectives—

• The generation of an immediate lift in confidence, investment spending and job opportunities.”

This is in the first six months. Can it be claimed that there has been an immediate lift in confidence? Can it be claimed that there are investment spending and job opportunities, when unemployment now is higher than it was at the time that promise was made? Of course the claims cannot be made.

He's failed hopelessly on that score. I now quote Malcolm Fraser on the second and third objectives. He said—

• The elimination of extravagance, waste and duplication in government spending and

• The preparation for the reforms of the 1976 Budget.”

I suppose I must concede that he did actually, after eight months of hit-and-miss policies and broken promises, produce a Budget, but it can scarcely be acclaimed as reformative.

In regard to extravagance and waste, I recall this further statement in the same speech by Malcolm Fraser—

“There will be no international safaris by members of Parliament. The purpose and nature of overseas trips will be subject to clear guidelines. Australia does not want a tourist as a Prime Minister.”

I pick up the paper this morning and read that he is planning two more trips after he has just returned from Indonesia and, judging by the newspaper, he fouled that up, too.

One of his first acts was to employ a butler at the Lodge and now his wife is spending \$8,000 on an imported dinner set. And he talks about cutting back on wasteful expenditure!

This opponent of international safaris has circled the world since his election—even managing a holiday at Great Slave Lake in Northern Canada to do a bit of fishing and a stopover at the Montreal Olympics.

His Deputy (Mr. Anthony) is so engrossed in overseas excursions—and this is the National-Country Party Leader—that he didn't even return to Canberra for his Government's first Budget. He preferred the Swiss slopes to the Australian House of Representatives at Budget-time.

The Defence Minister—a Liberal Minister from this State—commandeered an R.A.A.F. V.I.P. aircraft to ferry his wine supplies from South Australia to Parliament House. And they talk about cutting out extravagances!

There are just a few extravagances the Liberal-National Parties did not eliminate during the first six months of this "strategy for recovery". They were promises that were either broken or abused.

Certainly the story from this Budget, business statements and Government statistics is that the Liberal-National Parties failed dismally to lift confidence, investment spending or job opportunities. This Budget accepts excessive unemployment as malignant and the continuing presence of high inflation as inevitable. It is an economic epilogue that is dull and depressive, uninspiring and uncertain, predictable but pessimistic. "The Courier-Mail" newspaper on 1 October (the day after its delivery) greeted it under the lukewarm editorial heading "Little drama in Budget."

On page 2 of his Financial Statement the Treasurer expresses concern at the extent of Federal spending cutbacks and adds—

"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 know that skilled work-forces are being lost and agree that so-called Federal austerity measures have been harsh and harmful rather than helpful.

In country areas, as the June census figures reveal, workers are migrating to the cities, never to return. Their permanent absence must tragically delay prosperity when recovery eventually arrives. The Treasurer admits the problem but I ask: what has he done in this Budget to correct or reverse it?

A Labor Government would, in current circumstances, budget in Queensland for a responsible deficit rather than an unnecessary, uncontributive, tiny surplus. We'd plan in favour of providing jobs for Queenslanders and Queensland industry instead of academically balancing the books. The Opposition recognises and respects the importance of private enterprise in economic recovery. But we believe this national priority will be achieved with greater speed and more effectiveness when the private and public sectors work together rather than in separation as the Liberal-National Parties now command.

If proof is required for this theory, it comes from a survey of the metal trades industry dated 30 June this year. This report on 138 Australian firms showed employment strengths dropped by 4,169 (or 20 per cent) to 16,289 between mid-1974 and June this year. The survey showed also that the value of total annual production rose by 18 per cent (or \$151,700,000) between 1974 and 1975—when Labor still governed—but has fallen this year by \$20,000,000 (or 2 per cent) under the Liberal-National Parties.

Of the 138 firms questioned 106 indicated that Government orders were declining; 24 said they were static and only 8 recorded an increase. Here is the frightening point.

The firms in this survey estimated in June 1976 that if Government contracts fell in the next 12 months (from June) 3,552 employees—22 per cent of the remaining, already smaller work-force—would be retrenched.

I have a copy of the document. It is an impressive one produced by people whose honesty in preparing it in this particular case could not be discounted by the Government.

Labor would have, in this Budget, through a reasonable deficit, done everything possible to sustain development and contracts in regions where employment is sagging. We would provide a lift for the building industry which Sir Gordon Chalk said in 1974 was, to use his words, "the great barometer of the state of the national economy."

This Government can't hope to inspire private industry to go out and spend, expand and employ when it's freezing its own job levels and expenditure. I might add that it is restricting in this way the type of public spending and expansion that create contracts and work in the private sector.

Labor would permit controlled numerical growth in the State Public Service. The Public Service has opened career prospects to thousands of young Queenslanders, and I do not believe that, when school-leavers face such grave employment difficulties later this year, any Government should cut these careers off from them in such arbitrary, uncompromising fashion.

I explained earlier in this speech the broader concessions that should be made to stimulate job opportunities through relaxation

of pay-roll tax. Let me briefly repeat them. The present maximum exemption limit should be doubled and indexed immediately instead of waiting until July of next year. Firms, irrespective of size, should be granted pay-roll tax amnesty this financial year for each additional new employee added to their staffs—in other words for each new job they create.

One of the great problems confronting Queensland is the drift of country workers from rural areas—not because they want to leave but because they cannot obtain jobs there.

Mr. Doumany: What would you do?

Mr. BURNS: Just listen and I will tell you. Nowhere has this Government failed more obviously than in decentralisation. Labor would examine the recently announced South Australian scheme on industry relocation and implement it to provide positive financial aid and encouragement to industries willing to settle in country areas in cases where similar industries do not already exist. Such incentive would be provided through financial subsidy towards re-establishment, including key employees, and pay-roll tax exemption over a reasonable period. We would ensure that no existing industry of a similar nature in any area concerned would be disadvantaged by this type of transfer.

Labor would initiate a progressive police recruitment campaign not strictly confined to Treasury percentages and, even more importantly, lift the present low morale that is leading to the resignation of irreplaceable officers and premature retirements. This Government, which professes a law-and-order concept, is still unable to begin the judicial inquiry into the Police Force that policemen and lawyers sought and Cabinet declared necessary as far back as 11 August last year.

Labor would, as an export service, open the Queensland trade office in Asia which it proposed originally and which the Liberal-National Parties promised as far back as the 1969 election campaign. This year four of my parliamentary colleagues and I paid our own expenses on a trip to Asia to explore trade potential. The prospects there cannot be ignored. It is ridiculous that by October 1976 this Government has still not established a trade office within this region that could be a rich trade outlet—an office, I might add, that it recognised as important over seven years ago.

Mr. Doumany: Is this your policy speech?

Mr. BURNS: The honourable member wanted to know what we would do. I am telling him what we would do.

We would ensure that, wherever possible, Queensland industry was fostered and promoted by its own Queensland Government. Labor would give a firm declaration of a

“Queensland first” preference in all contracts and tenders let by the State Government, local authorities and Government instrumentalities. This is essential when other States are adopting similar priorities and our primary industry exports are regulated by foreign quotas.

Stamp duty is another field in which Labor would examine relaxation to ease the cost of business transactions. Just as pay-roll tax is a levy on employment, this is a charge against commerce and its customers. The New South Wales Labor Government in its 29 September Budget allowed couples purchasing their first home the option of paying stamp duty, free of interest, over a five-year period. As a Labor Government, we would do the same. In addition, we would study other ways and means of easing the sudden cost factor of stamp duty upon citizens at a time when they already face heavy financial outlays.

A Labor Government in Queensland would not have bowed to the defeatism of Fraser federalism. We would seek from Canberra exemption from the Medibank tax for rural Queenslanders with no local doctor or hospital and those who wish nothing more than the free hospital system for their treatment—a scheme operated by Labor and paid for out of Consolidated Revenue for over 30 years, and with no direct cost to the taxpayers.

This Government in its Budget sacrificed the chance to be expansionary. It is evident from the Treasurer's Financial Statement that 12 months after the Premier endorsed Fraser federalism, the Government is still bewildered and cannot understand it. The Liberal-National Parties are captured in the confusion of their own conspiracy.

Almost everywhere I glance there is evidence of suppressed spending that must reflect itself in lost employment. I mentioned aid to beef producers where the drop in actual cash from last year is \$4,400,000. The situation here is even worse in relation to projected spending. The real reduction on last year's estimated outlay, some of which went unspent, is almost \$12,000,000. So much for National Party concern about the beef industry.

Where is the rural bank promised last December by Mr. Anthony? The first Fraser Budget brought not a hint of it—or restoration of the country petrol subsidy promised by the Federal member for Kennedy and a number of his colleagues in this Assembly. Not a word of protest from members opposite on their absence!

Federal grants to main roads under the National Roads Grants Act show an effective fall of 12 per cent this year.

Funds for flood mitigation are down 15.6 per cent in real terms, for area improvement, down 93.5 per cent and for the Commonwealth education fund, down 9.6 per cent.

The message is the same throughout this Budget. With condensed Federal aid the State has been forced to make special allocations to sustain token progress on projects such as the Monduran and Kinchant dams. At this snail rate of progress both are more than a decade away from even telescopic sight of completion.

Federal finance to this Budget last year under the Whitlam Government, which members opposite contested with such hate and bigotry, amounted to 48.05 per cent. This year under Malcolm Fraser, whom they eulogised and promoted, it is back to 47.4 per cent—a drop of almost 1 per cent in less than a year. In the present financial year alone this fall represents a loss of \$10,000,000 to Queenslanders.

This Budget opts for stagnation rather than stimulation. There is nothing in this dowdy document that holds a glint of promise for the Queenslander already out of work or the school-leaver who will be soon forced to the end of the dole queue.

The State Government subsidy towards over-all local government expenditure is down from 4.4 per cent last year to 3.8 per cent and, at the same time, the Premier wants to reduce their voice on the new inter-governmental committee in Canberra.

Higher rail freights will force up prices in rural and provincial areas and Brisbane passengers will bear the brunt of increased fares.

We already have the Medibank tax from the Liberal-National parties in Canberra and, in South-east Queensland, increased electricity charges from the same political parties in this State.

This budget increases both inflation and unemployment. It does nothing to tackle either.

The housing industry remains depressed without prospect of rescue from the Government. The Liberal-National parties vacated their chance here to play a part in recovery. They chose instead to inflict a local version of Fraser federalism, with its punitive restraints and employment side-effects, on Queensland and Queenslanders.

This is the first Knox Budget. It should be the last. I am certain if the Premier—the aspiring Treasurer—or the Queensland people, whom it affects, have their way, it will be. It is a cold, insensitive Budget, which manifests the very economic problems the Liberal-National parties condemned last December and pledged to correct. It shows how they mislead the people of this State.

Mr. ALISON (Maryborough) (2.38 p.m.): It is with pleasure that I rise to take part in the Budget debate for this year and to support the Deputy Premier and Treasurer.

It is only right that firstly I should congratulate the Treasurer on his presentation of this Budget. He took over the portfolio

not so many months ago and he has shown that in it he is as much an innovator as he was when he held the portfolio of Justice. I congratulate him on its presentation and on the changes he has made in some of the figures presented in his report as well as some of his budgetary proposals with which I will deal later.

I cannot, of course, in all sincerity congratulate the Leader of the Opposition on his speech. I sat through the entire speech and I think it would be quite correct and charitable to say that it was dismal, abysmal, uninspiring and typically uninformed on economic matters just as would be a similar speech presented by his colleague in the Federal field, Mr. Gough Whitlam. The Leader of the Opposition obviously knows as little about economics as Mr. Whitlam does, and he could do as little for Queensland as Mr. Whitlam did for Australia. In all charity I suggest that in future he read his prepared speech before coming into the Chamber, for the simple reason that during his speech he dropped three or four clangers of which I will endeavour to remind him. It is quite obvious he did not realise what he was saying, that he had not read his speech before coming into the Chamber, and I think he should learn from his mistakes.

One of the clangers is that he referred to an amount allowed in last year's Budget by the then Treasurer, Sir Gordon Chalk, for the escalation of Public Service wages. The Leader of the Opposition referred to the fact that this amount, whatever it was, was not completely used up. The ordinary person who understands something of basic economics and basic budgeting would or should have realised that this means nothing more nor less than the fact that Public Service wages did not escalate during the year to the extent that was estimated.

But by some tortuous financial reasoning, the Leader of the Opposition said that the Auditor-General had pointed out that the worker did not receive what he should have received. That would be the silliest statement I have heard for some time. Simply because the figure for escalation was below expectations, the Leader of the Opposition drew the inference that obviously the State Government had robbed the workers—had not given them what they were entitled to.

The Leader of the Opposition dropped another clanger—a little gem—when he was referring to probate and succession duties. He said that receipts last year amounted to only \$26,000,000 and that the estimate for half this financial year is \$25,000,000, so the Government is going to lose only \$1,000,000 this year. I presume that the honourable gentleman estimates that the Government is going to lose only \$1,000,000 in probate and succession duties in the last six months of this financial year. It is really dreadful to hear such an argument coming from the man who, at least in theory, is the alternative Premier of this State.

I realise, of course, that the Leader of the Opposition has a job to do in trying to highlight the alleged failures and shortcomings of the Government. But surely to goodness, when speaking on behalf of members of the Opposition, he should try to be responsible and constructive. I tried to take some notes during the last 15 minutes of his speech, when he was promising the world. It is quite obvious that somebody had a change of heart when preparing his speech and decided to make it his policy speech. He made all sorts of promises. For example, he said that he would double the pay-roll tax rebate. I really do not know what that would cost. However, the Treasurer has pointed out that lifting the bottom exemption rate to what he proposes now will cost the Government \$12,500,000, so I presume that if it were doubled the Government would lose much more than that because it would cover a much bigger field. It is all very well to promise things such as that, but I think that the people of Queensland have a right to know where the money is to come from. I will tell them, because the Leader of the Opposition could not tell them.

Apparently the Leader of the Opposition wants the Public Service to grow substantially without any checks. It was obvious that he would not make any effort to cut back the railway deficit, which, from memory, I think, was about \$70,000,000 last financial year. The Leader of the Opposition, like Mr. Whitlam in the Federal sphere, is a socialist and is bound hard and fast by socialistic dogmas and economic policies. Socialists believe in massive borrowings, massive deficits, massive printing of money and massive inflation. That is what is wrong with Australia today, and I think that the people of Queensland should be reminded of it.

The honourable gentleman also made some comments about housing and said that he would like to see more of it. Wouldn't we all, Mr. Hewitt? But one has to be responsible about things such as that. He referred to the permanent building societies and the alleged downturn in lending during the last financial year. Certainly those societies were not able to lend as much as they should have, but that was because of the fiasco that occurred earlier this year with permanent building societies. For that we can thank the A.L.P. in this Chamber in general and the honourable member for Archerfield in particular.

It is correct—and I am not denying it—that there were problems with a number of permanent building societies. Some of them were not as well managed as they should have been. But what happened? The A.L.P. and its front-line Red stooge, the honourable member for Archerfield, decided to play politics instead of doing the right and honourable thing. The honourable member ought to have realised that he was going to hurt people in two ways. He was going to hurt, firstly, the depositors and, secondly, the people who want to borrow money. What

did he do? Under the privilege of Parliament, he tipped buckets, one after another, on the building society industry. Many of the alleged facts that the honourable member for Archerfield put forward about permanent building societies were not correct.

Mr. Houston: Yes, they were.

Mr. ALISON: They were not correct. If the honourable member had wanted to do the right and honourable thing and not be so short-sighted and play politics, he would have approached the Minister on these matters. If he had done that, probably we would not have seen the crash that occurred and the Government would not have had to take the drastic action that it did.

Mr. Frawley: He has had plenty of experience at tipping rubbish out at The Blunder. You probably saw that photograph that appeared in the newspaper.

Mr. ALISON: Yes, that is right. He is very good at scattering the affairs of his electorate—

The CHAIRMAN: Order!

Mr. ALISON: Some time last year we saw the rather unusual spectacle of the Leader of the Opposition trying to dissociate himself, in particular, from the economic policies of the Whitlam Government. Of course, I am not criticising him for that. I would be, too, if I were unfortunate and stupid enough to be a member of the socialist party and to have been associated with the then Whitlam Government. He could see that things were going crook and tried to bail out, like a rat deserting a sinking ship. I have Press clippings here in which the Leader of the Opposition was criticising Mr. Whitlam, the A.C.T.U. and Federal A.L.P. members. As I say, he was trying to dissociate himself from the Whitlam Government. Of course, the Federal A.L.P. and the State A.L.P. are the one party. They are the socialist party of the nation, and that party is bound by the one socialistic policy. If Tom Burns ever made the Treasury benches, with the policies of the three, four or five Treasurers of the Whitlam Government, he could do for Queensland what the Whitlam Government did for Australia in three short years. Like Mr. Whitlam he does not understand economic matters and is obviously not interested in them. He gets somebody else to write his speeches on economic matters. I would say in all sincerity to Mr. Burns that if he wants to be fair dinkum with the people of Queensland, instead of his "Bank on Burns" slogan he should adopt the slogan "Bank on Burns and go bankrupt". Another matter in respect of which Mr. Burns should be nailed to the mast is this unemployment business. He made much ado about unemployment in this State.

The CHAIRMAN: Order! I would be grateful if the honourable member would cease referring to the Leader of the Opposition as Mr. Burns.

Mr. ALISON: Certainly, Mr. Hewitt.

The Leader of the Opposition referred to unemployment. In all fairness, who brought about the unemployment in Queensland, and in Australia in general? The way the Leader of the Opposition was going on, one would think that Mal Fraser did it in six months, together with Mr. Anthony and Mr. Lynch. From the comments of the Leader of the Opposition one would think this Government could be blamed for the unemployment in this State. What utter tripe and rubbish! Who brought the unemployment to its present level in Queensland? Who brought inflation to what it is today? Who introduced the high interest rates and the savage taxes?

Let us look at Mr. Hayden's Budget, because the Leader of the Opposition is branded with the same party and the same policies as Mr. Hayden. In September last year Mr. Hayden took great delight in introducing the Budget he referred to as the great taxation reform.

A Government Member: The great rip-off.

Mr. ALISON: Yes. The Leader of the Opposition needs to move around Queensland a bit more and ask some of the people who have received their tax refunds how they feel about this great taxation reform. Let him ask them what they got back this year compared with last year. If he does that he will find out about Hayden's great social reform. Mr. Hayden is an academic. He wouldn't know how to run a fish and chip shop properly. He was like other Treasurers in the Whitlam Government. Full of airy-fairy theories and socialistic policies, that man tried to run the affairs of this country.

The Leader of the Opposition mentioned Malcolm Fraser quite a lot today. He accused him of bringing about inflation and unemployment and castigated him about what he had done in six months. Let us be fair about this. In his policy speech last year Mr. Fraser made it quite clear that it would take three years to get the country out of the mess that Mr. Whitlam took three years to get it into. Let me give some comparative figures. It took the Federal Government 72 years from Federation to 1972-73 to get its federal expenditure up to \$10,190 million. In three short years Mr. Whitlam and his socialist cronies doubled that figure. In three years they more than doubled the total Federal Budget. That gets to the guts of the problem in this country. They tried to implement their socialistic policies. They tossed them around as though they were going out of fashion. But who was going to pay for all those things? The taxpayer, of course. Any politician can promise any damn thing to the electorate if he is so stupid as not to realise where the money is going to come from. He has to slug the taxpayer.

What about the 25 per cent slash in tariffs across the board? Who brought that in—Mr. Fraser or Mr. Whitlam? Who

engaged in reckless spending? Who made the Commonwealth Public Service a pace-setter enjoying, as it does, a tremendous advantage over private enterprise? These are the gut issues. These are the things that have put this country in the mess that it is in today.

Mr. Kaus: The fat-cat farm?

Mr. ALISON: The fat-cat farm indeed. Mr. Fraser, together with his National Party colleagues, has done much in the nine months that he has been in power.

Mr. Houston: What has he done?

Mr. ALISON: He has cut the growth rate in Federal public spending; he has cut the size of the Federal Public Service; he has indexed income tax rates.

Mr. Houston: What does that do?

Mr. ALISON: I shall explain it to the honourable member later. He has promised to restructure tax rates next year; he supports wage indexation and his Government has moved towards wage indexation.

Great Britain is a classic example of what happens when non-socialist Governments do not have the spine to stand up to radical trade union leaders and when socialist Governments are elected and allow radical Left-wingers and Commos to take over and control the nation's economy.

Let us look at the way in which the £stg. has dropped in value since the war. Although many areas of Britain were devastated during the war, it did, after all, win the war. It was not nearly as devastated, however, as Germany, whose currency, the mark, is now one of the strongest currencies in the world.

In 1933 the British £ was valued against the \$US at 5.16, and before some smart alec on the Opposition benches reminds me, I state that that was before the war. In 1949, or five years after the war, the £stg. was then 4.03 against the \$US. More recently, in June 1972, the £stg. was down to 2.45, and in 1975 it dropped further. This year, in March, it was 1.98, in May it was 1.77 and on 30 September it was down to 1.6355.

I mention these figures to illustrate what can happen when non-socialist Governments either cannot, will not or do not want to face up to their responsibilities by keeping radical trade union leaders in their place and when those Governments are replaced by socialist Governments implementing socialist policies.

Australia was on the same road, but, thank God, Whitlam was thrown out unceremoniously—led out screaming all the way.

Mr. Kaus: He's not a sporting man.

Mr. ALISON: He certainly is not.

Turning to Medibank—the Leader of the Opposition seems to blame the Liberal-National Party Government for Medibank. I am amazed at him.

Mr. Moore: We should have thrown Medibank out.

Mr. ALISON: I agree whole-heartedly with the honourable member for Windsor.

Mr. Houston: Why didn't you?

Mr. ALISON: First, we should ask ourselves: who brought it in? The Whitlam Government. With all due respect to Mr. Fraser, he should have thrown it out unceremoniously and scrubbed it. The Federal Government should have paid to the private health insurance funds the subscriptions of those people, such as pensioners, who could not afford to cover themselves. But instead of that it has set up this great monstrosity, which will swallow all of us if we allow it to do so. Mr. Fraser should have scrubbed it. I hate to hear members of the Opposition trying to saddle Mr. Fraser with Medibank. As I say, his only mistake was his failure to throw it out. As far as I can understand the position, his actions will ensure that it does not kill us all financially.

The Leader of the Opposition is very good at quoting the results of public opinion polls when it suits him. I understand that recently the State A.L.P. conducted an opinion poll which, among other things, came up with the startling and significant finding that people were pleased with the way that the Leader of the Opposition dresses. He is now wearing better clothing than before. I certainly congratulate him on his choice of suits. He is not coming into the Chamber now with flamboyant sports coats and colourful ties. Of course, most of the ties are the right colour—either pink or red. However, I congratulate him on his suits. They are very stylish and I might try to get the name of his tailor later on.

However, with all of his good suits and his success in pleasing the people, according to Labor's opinion polls, the Leader of the Opposition is still seriously disadvantaged.

Mr. Knox: He can't hide his policy.

Mr. ALISON: That is quite right. I was just about to say that the Queensland people do not like the socialist policies to which he is bound.

Mr. Moore: They are plainly written, and the people should read them.

Mr. ALISON: That is correct. They should be distributed widely. The socialist platform should be distributed to every elector in this State—or in Australia, for that matter—and it should be compulsory reading so that the electorate can see what is behind the people on the other side of this Chamber.

Mr. Houston: Typical Tory!

Mr. ALISON: And proud of it!

The Leader of the Opposition made much noise about wanting to protect jobs. With his crocodile tears, he almost had me crying. He skirted around the issue and made some comment about unions—I just forget what it was. It certainly was not very significant.

Unfortunately the Leader of the Opposition is not here, but I would like to ask through you, Mr. Hewitt, whether he supports irresponsible strikes. Would he support the 220 Bass Strait workers who are now on strike, as reported in today's Press? Some of the welders are already on \$38,000 a year. Now they are seeking seven days leave after seven consecutive working days. Where does the Leader of the Opposition stand on this sort of nonsense?

Does he support the teachers' strike? At some function in Brisbane he was reported as coming out in support of the teachers' strike. Let him say in this place where he stands on that issue. Certainly the people of Queensland have shown that they are opposed to the teachers' action. Hasn't the Leader of the Opposition got the guts to stand up and say whether he is for or against this stupid strike business, which that academic rat-bag Mr. Costello has brought about with his one vote?

What about the Medibank strike? Did the Leader of the Opposition support that? I do not know what it cost the Queensland workers, but the total would have to be in millions. It was a dismal failure.

Mr. Frawley: He forfeited a day's pay.

Mr. ALISON: I would like to know what happened to that. It was probably compulsorily donated to the A.C.T.U.

Did he really support the Medibank strike? All in all, I can only say that today by his comments the Leader of the Opposition has shown himself to be a hypocrite.

The Leader of the Opposition gave some very misleading figures in his speech. He really got off to a flying start. He had hardly opened his mouth when he misquoted some unemployment figures. I do not know about the others—they are highly suspect—but the one relating to Maryborough was definitely wrong. The Leader of the Opposition said that Maryborough had something like 916 unemployed. The figure he was quoting related to the Maryborough region and not the city of Maryborough. He went on to quote other figures. As I say, I cannot remember them and I would not have been conversant with them anyhow; but, if they are on the same basis as the Maryborough figures, he is using regional figures and making it appear that "X" hundred people are unemployed in a city.

One builder I know very well cannot get tradesmen in Maryborough. He is in serious trouble with his contracts because he cannot keep up the flow of work. I know also that

up till recently the Railway Department in Maryborough could not get labourers for fettleing gangs. Where are all these unemployed? I know there are unemployed in Maryborough—and elsewhere for that matter—but let us not overplay the situation.

I now move on to the Treasurer's statement about the Federal Governments cut-back on governmental expenditure. In his Financial Statement the Treasurer made the comment that he was concerned at the reduction in some funding by the Federal Government, particularly in areas affecting the State Governments. I support him in those statements. While not going back on what I said previously, I can understand to some degree, at any rate, the magnitude of the problem faced by Phillip Lynch, Doug Anthony and Mal Fraser in getting this country back on the rails. Nevertheless—and I try to be constructive—I do think housing is one area where the Federal Government could have cut back a little less than it did, for a couple of reasons which I will now state.

As most of us realise, housing is a very serious problem not only in this State, but probably in most States. There is a great need for housing; it is a human problem. Out of a population of some 20,000 people in my electorate, something like 130 families have lodged applications. And I believe that that is only the tip of the iceberg. In addition, it would help to prime the pump a little in the building industry if more funds were made available through the Queensland Housing Commission and the co-operative housing societies for welfare housing. I do not like the term, but I use it for want of a better one.

Basically there are three areas of finance available for distribution under the Commonwealth Housing Agreement. Firstly, there is the co-operative housing movement. Under the agreement, 20 to 30 per cent of all funds received from the Federal Government has to go through that movement, with the stipulation that applicants must be in receipt of not more than 95 per cent of the average wage. Secondly, 70 to 80 per cent of the Commonwealth funds—that is the balance—goes through the Queensland Housing Commission, with the further restriction that the commission must not sell more than 30 per cent of the homes constructed with these funds. Thirdly, there are loans through the Treasury. This money is used mainly for housing for sale. I understand also that the Housing Commission raises money on the debenture market. This money is used largely for employer and tenancy housing. Nevertheless, it is all housing.

Frankly I hope—and I am sure the Minister for Works and Housing hopes also—that something can be done about the housing agreement. I do not like stipulations being imposed on the State Government in this regard. Provided it has the finance, it knows better than the Federal Government how to

attend to housing problems. I hope that when the new housing agreement is drawn up, these stipulations will be removed.

I do applaud the Treasurer's move to lift the pay-roll tax exemption from a pay-roll of \$41,600 a year to \$62,400 and also his undertaking to lift the exemption figure substantially in stages over the next 18 months.

To my way of thinking pay-roll tax, in an economic recession such as we have had for the past three years, is iniquitous in that it has a snowballing effect on unemployment. There is no doubt in my mind about that. By this I mean that employers, whether large or small—particularly small—are more inclined to worry about the pay-roll tax bill in prosperous times and to look for ways and means of cutting overhead, including pay-roll tax. One of the obvious ways is to put staff off where possible.

Pay-roll tax is nothing more than a penalty imposed by statute for employing people. This Government and the other State Governments were conned by the Federal Government into taking over this tax. At the time it was called a growth tax and it is, if the rate is lifted. And it certainly has been lifted. When the State took it over, the rate was 2½ per cent; it is now 5 per cent. Apart from General Revenue Assistance from the Federal Government, pay-roll tax is the biggest single item of revenue in our State Budget. I note that \$168,900,000 was raised last year in pay-roll tax and, even with the concession proposed for six months of the present year, it is estimated by the Treasurer that \$192,300,000 will be collected. This is nothing more than a giant rip-off from employers and a penalty for employing people.

I feel that it would have been better to put off the elimination of succession duties for, say, 12 months and make greater concessions in pay-roll tax, particularly in view of the present economic climate and the need to encourage employers to employ more labour. Certainly I do not oppose the elimination of succession duty but, with all due respect, I suggest that the timing has been wrong. From the Budget, it appears that we will still raise \$25,500,000 from succession and probate duty in six months.

The Treasurer has pointed out that the lifting of the exemption rate for the payment of pay-roll tax will cost about \$12,500,000. I believe it would have been better tactics by far to use the approximate \$25,000,000 which will be lost to revenue in six months following the elimination of succession duty to further increase right here and now the exemption rate for the payment of pay-roll tax. We could have eliminated succession duties at a later time and I do not think it would have been so much later, either.

So far as succession duties are concerned, I do not see anything immoral in the State's taxing legacies to legatees outside the immediate family. By this I mean that I fully

endorse the move to eliminate succession duties on estates passing from husband to wife and vice versa and from a parent to his children. In the building-up of any family estate, both the husband and wife and, more often than not, the children assist in all the hard work, be it on a farm or in a business or shop. I heartily endorse the move to eliminate the payment of succession duties within the immediate family.

At the same time, we have to be practical and realise that Governments need money to provide the necessary facilities that the people expect. Possibly there was no need, in any case, to go all the way at this stage and eliminate succession duties on estates passing beyond the immediate family.

In his report to Parliament, the Treasurer referred to the growth of the Public Service and stated that departments will not be permitted to increase their staff numbers above the establishment levels approved at the end of June 1976. The Treasurer also stated that departments had to effect economies and so forth. I am very pleased to hear this. It is not a matter of wanting to put the axe into the Public Service. Any Government has a responsibility, I believe, to the people of the State to take into account all economic factors and what is required under policy, and to try, as far as possible, to keep the growth of the Public Service to a level within these constraints. After all, the Public Service has to be carried by the taxpayer.

It is interesting to note that at 30 June 1972 the staff of the Public Service, excluding the Railway Department, numbered 56,207. At the end of June 1975 the permanent staff of the Public Service, again excluding the Railway Department, was 66,236. By doing a bit of quick arithmetic it can be seen that there has been an increase of 18 per cent in the three years from 1972 to 1975. I understand that the 1976 figures are not available yet.

At various times I have voiced opinions on certain aspects of our education system in this Chamber. I would like to offer a few more comments on certain matters which cause me concern. I note from the Budget that the Education Department Vote is the next biggest after the Railway Department Vote and that in fact last year we spent \$352,000,000 on education. This year the Budget figure for education is \$396,000,000.

The big thing that worries me is the end product of our education, the people being turned out, particularly at the secondary and tertiary levels. I will not go into that in any great detail but just make the point that I have children going through the system and I am dismayed at the results of our education system. In my office I have staff working for me and, of course, I come into contact with other people. It seems that English—spelling, writing and punctuation—seems to be down the plug hole. I do not

know what rating or priority it is given, but it does not seem to be a very high one. I think that is bad.

I make the other point about our education system that we have let the academics run us and let them have their heads too much. After all, a person does not need a university degree to be able to take an intelligent interest in the education system and decide what he expects in the end product. He might not be too clued up on how to achieve it, but he would know what he was looking for in persons turned out by the system, whether at the secondary or tertiary level.

I think that it was a sad day when we handed over the complete funding of universities to the Federal Government. It is all very well for universities and other tertiary centres of education to seek autonomy, but I am beginning to doubt the wisdom of giving it.

We have to be careful not to brand all university students as discontents, malcontents and other drop-outs, just because a few are in those categories, but there does seem to be a continuing increase in demonstrations, pornography, radicalism, anarchy, and hotbeds of Communism in our universities.

I would just like to refer briefly to one of the products of a university—not the University of Queensland, although no doubt we have a Communist group there. I think that my friend the Minister for Local Government must have been quoting last week from this. There is a little brochure printed by the Sydney University Communist Group. It makes interesting reading. It is headed "Rules for Demonstrators" and is numbered in paragraphs, from 1 to about 30. In reading from this document I am trying to show the product we are getting from our universities. One paragraph reads—

"Don't talk in response to inane questions like 'Why don't you grow up?', 'Why do you want to cause us trouble?' etc. Politely ignore them. Police are not part of the working masses to be won over to the revolution, as public servants or soldiers are for example. The police force has to be totally destroyed: do not regard cops as misguided fellow humans."

That is the sort of delightful stuff coming out of the Sydney University. Another paragraph in this document makes very interesting reading—

"The more resistance being put up the less people will be arrested. But again, beyond a certain point, break ranks and regroup, if the demonstration is being stopped by a brawl. 'Beyond a certain point' is not a time that can be fixed as a general principle. The point depends on where you are marching to, how much time you have got to get there, how far it is to go, how tired you are, how bitter the fighting has been etc. It is unlikely that this would be before half-way even in an 'extra-violent' demonstration: usually it's near the end."

These are very nice little (what shall we say?) suggestions to the youths at the Sydney University. This is what we are copping. I am assured that we have a Communist cell at the University of Queensland. They should be rooted out, whether they are students or members of the teaching staff. I think I have made the point that I think the State Government should take over the funding of universities; I do not mean just the responsibility for running the universities, but also the raising of funds from the Federal Government. After all, the money raised in Queensland comes from Queensland taxpayers. I am confident that the State Government would know better than the Federal Government how to spend money on education in this State.

It is interesting to note in the Financial Statement the Treasurer's remarks about the police and his assurance that funds will be provided to enable the Police Department to recruit a further 228 personnel to remove the deficiency between the actual strength as at 30 June 1976 and the approved establishment. I am delighted to hear this. Frankly, I am of the opinion that, within 10 years, if not earlier, we are going to need something in the nature of an anti-riot squad more than we have ever needed one before. Perhaps we should have a State-controlled riot prevention force. I understand that the States of the United States of America have such a force. I do not know whether it is called the home guard or a riot prevention squad, but I understand it is State controlled and can be called out by the Governor in times of emergency, whenever the police consider that things have got out of hand. This might be regarded as a radical suggestion—it is extraordinary—but I honestly believe that our thin blue line—the Police Force—will prove inadequate (not in experience but in numbers) to handle the problems we will have to face when the Communists and Left-wing socialists get really fair dinkum and try to show the people of Queensland in particular who is running this State.

I want now to make a couple of comments about freight rates. The Treasurer pointed out that last year we saw a 40 per cent increase in freight rates, which I thought was most unfortunate. I have not had time to check how many years we had gone without any increase whatsoever. I would hasten to say that I hope I am not being interpreted as wanting tax increases every year; that is not the point. The point I am trying to make is that over this period to 1974-75, whatever it was, when there were no freight increases, we did have increases in costs and I think it would have been far better to increase charges gradually over the years in areas which could stand the increases to help cut down this thumping great deficit in the Railway Department, which has grown to something like \$70,000,000 this year. If we are pouring money into the Railway Department or any

other department which is providing a service—and I suppose that means any of the other departments—we have less to spend elsewhere. In any enterprise providing a service that can be charged for, as far as possible the people receiving the benefits of the service should be made to pay for it.

The Treasurer referred to the profit from mineral hauls helping to keep the loss down in the past, and he also referred to the profit from mineral haulage in the current year. In this regard, I find the railway accounting methods in the public accounts completely unsatisfactory and inadequate. One cannot deduce much from the figures at all, apart from the total context. The railway figures as submitted in the published accounts are merely a hotchpotch of figures that do not mean very much. I would like to see a complete overhaul of the railway accounting system so that something meaningful can be published at the end of each year and we have at least some useful sets of figures for purposes of comparison. In addition, I would like to see the income and expenditure concept brought into railway accounts so that the true income and expenditure for each division could be looked at. Undoubtedly expenses of the main office, maintenance shops and so forth would have to be apportioned on an appropriate basis, but this could be done in the usual accounting context, and it would need to be done to arrive at accurate income and expenditure figures.

I know that the Railway Department does not have to show a profit for shareholders—in this case the shareholders are the people of Queensland—but, nevertheless, a more businesslike system of accounting should be introduced. Surely this must also help the Railway Department to see where it is going.

The department has the biggest expenditure Vote of all State Government departments with the exception of the Education Department, and no doubt it is one of the biggest employers in the State. It is certainly one of the biggest industries in the State, if not the biggest. Because of the size of this enterprise, it surprises me that at some time over the years it has not been decided to appoint a railway board that would act in the same way as a board of directors of a public company except that the Minister for Transport should have powers of veto. Perhaps the Minister could be chairman of the board. Alternatively, such a board could act as an advisory body for the Minister.

I believe that this enterprise is just too big for one man to control. I do not see how he can initiate improvements in it and handle all the major matters that come up. In this case, of course, I am referring to the commissioner. At the same time, it would not be physically possible for one man, in the person of the Minister, to study all the different aspects of the Railway

Department. I know that the Minister will realise that I am trying to be constructive in making these comments. A board made up of widely experienced businessmen, engineers, representatives from the unions and other disciplines would, I am sure, be of extreme value to the Minister and to the commissioner. Of course, we have good working examples of this in Qantas, T.A.A. and certain other public enterprises.

In conclusion, I again congratulate the Treasurer on his first Budget and say that I look forward to supporting him, as Treasurer, in this Chamber for many years to come.

Mr. CORY (Warwick) (3.18 p.m.): I have much pleasure in taking part in this debate, and at the outset I congratulate the Treasurer, firstly on attaining the position of Treasurer and secondly on the Budget that he has brought down.

There are many good and constructive proposals in the Budget, but, at the same time, we must remember that the Treasurer had to frame it under economic stress and pressure because the State's spending capacity is somewhat less than it has been in the past. I congratulate the Treasurer on what he has achieved in these circumstances.

I also say a word of thanks to Sir Gordon Chalk, who was Treasurer until very recently and who has now left this Parliament. I remember, when I came into this Chamber 13 years ago, receiving much common-sense advice from Sir Gordon Chalk, and that has helped me in my parliamentary career over the years.

As I said earlier, Treasurers face difficulties because of the economic situation now facing the nation. I think it is fair to say that we are going through a period when we, as citizens and taxpayers, are demanding more and better services than we can afford, and perhaps that is one of the reasons we are now in trouble. We do expect an increasingly high standard of living. There is nothing wrong with that except that we are expecting and demanding a higher standard than we can afford. No matter where the money comes from, in the long run the taxpayers have to pay for it. More and more people are expecting a higher and higher standard of living and services but at the same time wanting to pay less and less. If we are fair dinkum we have to accept the fact that, although we have the ball at our feet, we have to act if we are going to get any advantage from it. There is much merit in the old slogan of a fair day's work for a fair day's pay and/or reward, and vice versa. Basically the Labor Party was founded on that concept. Why don't they preach it today? If we all got back to that principle we would be far better off. With the ball at our feet in this country we would be able to produce at a price the consumer could afford to pay.

When productivity is down, the economy is down. That is the position now. With our present industrial situation it is becoming harder and harder to produce, and therefore our productivity is down, and our economy has gone down with it. The only way we can lift it is by increasing productivity. Even the money allocated for unemployment could be put to more productive use. I realise that some individuals are caught in the system and are stuck with their unemployment. To them there would appear to be no alternative but unemployment financial relief. However, I believe that much of that relief money could be spent as it was many years ago. In those days before a person could obtain unemployment money he had to work for the benefit of the community. Most people prefer to have a job and earn their own living. It would be far better for the general outlook of unemployed persons, and certainly much better for the community and for the Federal Government, if some production were required in return for unemployment payments. That could be done at local government level by requiring work for the community benefit on buildings, roads, etc. In that way some production would be obtained for the payment of that money. It would reduce the cost of unemployment and at the same time improve the outlook of the individual and perhaps help him obtain full employment in the future.

The Railway Department loss is frightening. It has escalated this year to a running loss of \$70,700,000 before providing for charges of \$26,500,000 applicable to the railway general debt. That makes a total loss of \$97,200,000. How long can we stand a loss of that type? There must always be railway services. We must always provide services in many areas for the carriage of bulk and general merchandise. Of course, bulk transport is very profitable for the railways, but we have to continue to provide a service for general merchandise and passenger transport. We have to rationalise the situation so that we can continue to provide the service but at the same time put a curb on the escalating yearly loss. A loss in revenue of \$100,000,000 is a very large one and it must have a tremendous effect on the State's Budget. Somewhere along the line rationalisation must occur.

The Government had no alternative to increasing rail freights, and here I express my appreciation to the Treasurer and the Government for containing grain freights for this year. It was imperative that grain freight rates be not increased at this time, and the Government's realisation of this is widely appreciated throughout the industry. Similarly, the beef industry is not able to cope with any increase in freights at this stage, and with this in mind the Government contained increases in freight rates on beef.

The Budget contains many good features, not the least of them the continuation of Government services in general and their maintenance at their past high standard.

The Government has a responsibility to create incentives for employers and employees alike. One move which offers such an incentive and encouragement to both employers and employees is the abolition of succession duties. Succession duty is a tax not on earning capacity or income but on ownership. It is difficult to justify a tax based on a valuation regardless of earning capacity or income that might flow from the asset. I applaud the abolition of succession duties as a move that offers an incentive to both the employer and the employee.

The initial purpose of death duties, to use an all-embracing term, was to break up the vast estates that existed many years ago in England. There is no need for them in this country with its present taxation system. We inherited this tax from England, and there was no need for it under our local conditions. It was used as a means of earning revenue, but I am quite sure that it has been realised for a long time that it was not an appropriate tax under our property ownership structures and taxation system.

Instead of killing business activity by the imposition of harsh taxation, a Government should encourage it and create job opportunities by offering incentives. We will not get the best from a man unless we allow him to obtain a fair return for his effort. Incentives should be offered to employers and employees to use their initiative. By providing such incentives the Government will create job opportunities and overcome one of the greatest problems that confront us at the present time.

The primary producer is probably the hardest-hit member of the community. His industry has a greater capital content compared with earning capacity than any other. The capital content of primary production is by far the highest. Many producers are operating on 4 per cent earning capacity on their capital. It is probably less in the beef industry at the present time. A man engaged in farming also has a machinery content, which makes it impossible to obtain a reasonable return on the total capital required. I would venture to suggest that probably 80 per cent of primary producers are living not on profits from their assets but on their depreciation.

It is only reasonable to encourage individuals to expand business and employ more people. If they do that, in their lifetime they are paying all the taxes that should be required. Surely if they have a little bit left over, it is only fair and reasonable that the fruits of their endeavours over the years should be handed on to their families. After all, in most cases without their wives and children they would not have accumulated the assets. As the families have contributed, it is only just that they should receive their reward. Abolition of succession duties through this Budget will help in no small way, not only by passing

on some reward to the families but also by encouraging business to continue to expand and provide more job opportunities.

Gift duty has been eliminated, too. Quite obviously, with the abolition of death duties, that form of taxation would be rendered ineffective.

Another matter I wish to refer to is the increase in exemption for the payment of pay-roll tax. Pay-roll tax is something that I have spoken about many times. The increase in the exemption is commendable. One might say that it is overdue. However, it is a real attempt at bringing the tax into perspective and aligning it with the situation at its inception. We must remember that it was introduced as a war-time measure to assist our finances; but it has stayed with us since. I suppose we are stuck with it.

I appreciate the Treasurer's comments about the contribution it makes to the State's revenues. Obviously we are committed to it in the future. However, we must always remember that the reason it was introduced was to provide funds during the war. Now that that need is no longer with us, perhaps we should be looking a little more at bringing it back into perspective. When it was introduced, anybody who employed in excess of 10 employees was liable to the payment of pay-roll tax. Before this Budget, in some cases a person employing only three employees was liable to pay the tax. The exemption has now been increased so that it is brought back to the vicinity of 10 employees once more. That is very good.

However, bearing in mind the background of the tax, it is not unreasonable to suggest that we can go further and give special consideration in particular to decentralised industry. We all applaud decentralisation. We know that the D.I.D. has done a lot by providing freight concessions and financial backing and giving other help for those in decentralised areas. However, I think we should consider giving relief from pay-roll tax, too. If some added help can be given to those in decentralised areas through pay-roll tax reductions and, with the co-operation of the Federal Government, income-tax relief, we will really put decentralisation into effect, without great cost. All that is required is a little incentive. There is plenty of private money that will make use of that incentive and go out and make it work.

In the country the small man finds it harder and harder to benefit from many concessions that are now made available. For one reason or another he just does not fit into the category of the taxpayer who benefits. However, he will benefit as much as the larger person from pay-roll tax and income-tax concessions. Therefore, they provide as much incentive for the small man as they do for the large man. When that added incentive is achieved, we achieve the very things that we are looking for—increased activity, increased productivity and increased job opportunities.

The Leader of the Opposition said that it is better to provide jobs where the people are than to shift the people to where the jobs are. If we can provide the activity and the job opportunities where the people are living, we will better the morale and outlook of those people and also make it better for the districts in which those people are living.

I believe the employers must be given some consideration in this whole exercise. If they are, we can then give the same consideration to the employees. Let us remember that an employee costs 130 to 140 per cent of the actual wages paid to him. It is not simply a matter of looking at the wage rate and working out the cost of an employee to an employer. We have to consider the actual wages paid plus 30 or 40 per cent for workers' compensation premiums, superannuation payments, holiday loadings, long service leave payments, taxation collection—and so it goes on. An employer has terrific burdens in employing anybody today. I am not arguing the pros and cons of the industrial situation. We must accept that they are facts of life, that they are a part of our industrial structure and that industry has to pay.

However, I believe that the employer should be given fair and just recognition for what he is doing. Particularly I say a word of thanks for the workers' compensation premiums that he pays. But all these extra amounts represent 30 or 40 per cent above the actual wage paid. The employer should be given reasonable consideration and the little help that the Government can give him to help him provide more jobs without hindering him in his expansion. In particular, the little extra in decentralised areas would be really worth while. If these jobs are created, the employee can then be given similar consideration in the industry.

This would cost the Government nothing once it got under way because there would be increased activity. From that increased business activity would come revenue in the way of stamp duties, rates and so on. So this type of concession which increases productivity is in effect profit-making. The Government would not lose anything. Certainly many more jobs would be provided and much of the unemployment problem overcome. This helps not only the individual employee but also the Government. Once a person ceases to be unemployed he becomes a taxpayer. It would more or less have a snowballing effect on our economy, which would get back onto its feet quickly.

I commend the Treasurer's comments on workers' compensation. The deficit in the fund has been overcome. Assessments and bonuses are expected to revert to the old levels where possible. This is appreciated. I hope, however, that the overrationalisation which was apparent before the last assessments came out will not recur. Instead of paying .23 of a cent, some employers were paying more than 4c, without any unfortunate result during the year's activities. I

understand that amended assessments are coming out and I trust that this matter is in hand so that the anomaly that did creep in will be overcome.

I should now like to make some reference to land tax. I support the increase in exemption. Land Tax is a tax on ownership; it has no bearing on earning capacity or income. It can be met only from a person's liquid assets. Exemptions must be increased so that the tax does not get out perspective, having regard to the days when it was first introduced. I congratulate the Treasurer on what he has done in this field.

In taking the proposed action on road permit fees, the Government is again honouring its promise that these fees would be phased out in the life of this Parliament. The action now being taken is stage two of a three-stage plan. The sooner road permit fees are abolished, the better it will be. The arguments, fights and anomalies that they caused are too numerous to mention. They encouraged the dishonest operator at the expense of the honest operator. Anything that does that is to be deplored and the sooner it is removed, the better. I congratulate the Treasurer on implementing this second stage of the Government's policy on road permit fees. It is something that the Government has spoken about for years and it is now becoming a reality.

If we really want to be fair dinkum in the matter of transport costs, revenue obtained from permit fees should be devoted to road-building and maintenance. Finance from this source never went into the building of roads; it was directed to Consolidated Revenue, and this cannot be justified.

Licensed victualler licence fees have been increased in the Budget. These were, in fact, the only increases imposed. I find this increase a little hard to justify, although I can see the reasons for it. The fees have been increased from 7 per cent to 8 per cent.

Mr. K. J. HOOPER: Mr. Gunn, I rise to a point of order. I draw your attention to the state of the Committee.

(Quorum formed.)

Mr. CORY: I do not know why we had to have that delay, Mr. Gunn. The honourable member for Archerfield cannot have much to do.

When one considers the responsibilities of hotelkeepers, and the requisitions and industrial conditions with which they have to comply, I find it hard to justify the increase in licensing fees. Even though there may be inflation, a return based on a percentage should remain the same. I therefore find a percentage increase hard to justify. If 7 per cent was the correct figure, it should remain constant even with inflation.

I now turn to a matter which is somewhat parochial in nature. It was not mentioned in the Budget, but I should like to

refer to it. It is the building of Stage II of the Leslie Dam. For some years we have been awaiting assistance for this project from the Federal Government. A reply has now been received from that Government to the effect that it will not be able to provide finance for Stage II. I believe this state of affairs has gone on long enough. It is 11 years since Stage I was completed. The amount of money required is not huge, and I think that if the Federal Government does not come to the party, and it appears that it will not, the State has to grasp the nettle and itself do something about it.

When the dam is completed, careful consideration will have to be given to the allocation of the water. As I see it, the water should be used for insurance purposes. In other words, it should be made available, firstly, to those who have no allocation and, secondly, to those who have only a small allocation. Those two categories of persons should be supplied before any large amounts are given to those who intend to produce crops which are irrigation-intensive. Water from these storages is not cheap, but it should be used to help existing industries rather than those who intend to go into high-cost new industries in a big way.

I now want to bring up the matter of motor vehicle insurance. We already have compulsory third-party insurance on our motor vehicles and also terribly high and increasing premiums for comprehensive motor vehicle insurance. I believe we might have to do something about compulsory third-party property insurance on motor vehicles, because with the existing high insurance premiums more and more car owners are not comprehensively insuring their vehicles. This is a dangerous trend because we are finding that more and more claims are being made against people who have no insurance and no money.

I think we have to protect the innocent person whose property has been damaged. We have to safeguard the innocent party in a mishap involving property damage, and I think the only real answer to the problem would be to introduce compulsory third-party property insurance, just as we had to introduce compulsory third-party personal insurance. It is difficult to argue that we want more compulsion in any field, but in this day and age when vehicle-ownership is increasing at a rapid rate and when the capital investment in motor vehicles and the cost to repair smash damage is becoming greater and greater, I believe we have to look at this solution if we are to be fair to those people who do insure their vehicles.

In conclusion, I want to make reference to the annual report of the Commissioner for Transport and commend him on his thinking, which is obvious from his opening remarks. Basically, the Commissioner for Transport referred to the necessity of arriving at a new method of collecting money

from the owners of motor vehicles; getting away from registration fees and increasing the tax on tyres, petrol and things of that sort. The fact that he has accepted this principle and mentioned it in his annual report is a great step forward, because one of the problems over the years in trying to sell this idea has been getting the Commissioner for Transport to accept it. I do not think we need to go into all the details and try to fit every user of petrol and tyres into a category. I think we want a reasonably simple method which applies these taxes to all road users so that it is not just a tax on vehicle-ownership.

As I said before, registration is a tax on ownership and has nothing to do with road use. What we should do is collect money from those who use the roads and put it back into road-building and road maintenance. All we ask is that those who use the most petrol and the most tyres should provide most of this revenue. I do not think we should confuse the issue greatly by having too many categories; I think we should accept the principle, introduce it reasonably quickly and reduce the registration fee to a nominal amount.

There has to be registration of vehicles because they have to be categorised, but the fee should be reduced to a nominal amount and any further funds required should be obtained from the real road user. At the same time we must have a guarantee that those funds will be earmarked for road-building and road maintenance. This is the problem. We must obtain from the Commonwealth Government a guarantee that the money it collects in this way will come back to our Main Roads Trust Fund for its exclusive use.

When the Whitlam Government increased petrol tax, it not only increased the tax almost threefold but it repudiated the basic principle that this money should go to the State for road-building and road maintenance. Only about 60 per cent of it comes back for use on roads; the remainder goes into Consolidated Revenue. Something must be done to ensure that money contributed by road users is used for the building and maintenance of the road system, right through to local government. Then those who use the roads are paying for their construction and maintenance.

Mr. AHERN (Landsborough) (3.51 p.m.): This year's State Budget might be described as a Budget to cope with inflation and, indeed, every area of Government expenditure has been affected. We are paying a high price for years of Government extravagance and for the flowing pools of liquidity of the past. The problem was primarily the fault of the Federal Government and, thank heaven, those who were responsible have now gone. The Government of this State is trying to cope with the problem, and I should like to say at the outset that I believe the new Treasurer has coped very well.

Capital funds in the Budget have increased by 11.3 per cent and building costs have increased by 19 per cent. Therein lies the index to the over-all problem in every area of activity. However, there is a green light at the end of the tunnel, because the Treasurer says in his Financial Statement that in 1974-75 an increase of \$106,800,000 was provided to meet salary rises during the year and in 1976-77 he has provided only about \$83,500,000. When the larger base outlay is taken into consideration, that is a commendable indication that inflation is coming down in the field of Government activity.

Anybody who makes a detailed study of the Budget documents would have to ask, "Where would we be without our mines? Where would we be without the years of planning that have gone into bringing the mineral activity in this State to the point that it has reached today, when it is financing Queensland?" The Budget refers to \$43,700,000 in royalties and a profit of \$47,000,000 on mineral operations in the Railway Department. The long-term planning of the Government—and it is our prime achievement in government, in my opinion—is now yielding the State annually \$90,700,000 directly, in addition to indirect benefits.

Any Government must give the highest priority to housing, and Queensland's housing programme is causing great concern in a time of inflation. In 1974-75 the Government provided 1,359 houses and in 1975-76 it provided 1,069 houses. This year, because of inflation, the Government can budget for the construction of only 800 houses. Clearly that is not enough, and Federal allocations for housing have much to do with it. And, in the context of an inflation-checking package, nobody said that the situation was going to be pleasant.

Inflation is having a severe effect in that area, but nowhere is the effect more evident than in the field of education, which has always had the highest priority from the Government. We have talked about it, and education has received the highest priority in Budgets year after year. In the light of the over-all programme, this year is no exception. The Treasurer has provided about \$67,600,000 to increase the total expenditure to \$396,700,000, or an increase of 20.5 per cent. However, he has provided for 486 new teachers. As he said, in real terms there has been an increase of 161 per cent in education expenditure in 10 years, whereas in the total programme there has been a growth of 65 per cent.

On the other hand, expenditure on capital works this year from State sources is to be \$36,700,000 and from Commonwealth sources \$26,800,000, making a total of \$63,500,000—an increase of only \$20,900,000. We have provided for an extra 486 teachers and we have 19 per cent

inflation in the industry. For those teachers we have to provide extra classroom accommodation. Clearly our capital effort is going to go backwards in the education field. This is one area that the Treasurer must give more detailed consideration to because of what is happening. Over the past few years we have appointed a great number of new teachers without realising that there must be a commensurate increase in the capital programme to give them classrooms to teach in. Unfortunately that has not happened, and again this year it is constrained by inflation. This applies particularly to primary schools. There is still not enough money going into classroom accommodation. With the extra 486 teachers and the 19 per cent inflation, we will have worse problems next year. The Treasurer may have to look at diverting some revenue works into the capital area in order to give a kick along to get accommodation up to the threshold, as it were, so that at least an adequate number of primary classrooms will be available. It is very worrying. The simple fact is that we are very short on money going into primary classrooms and primary education amenities generally. It is an area of considerable concern. I realise that the Treasurer has had his problems this year with the formulation of his Budget, but he should look to this accommodation problem in the future and consider the remedial measures I have suggested.

Certainly inflation has had a particularly harsh effect on our roads programme. The Budget has provided a 2 per cent increase in national moneys going towards road construction in Queensland. With more State moneys becoming available with the recent big increase in motor vehicle registration fees, we see a 9 per cent increase in the moneys being spent on road construction in the State. Clearly inflation in this industry is of the order of 20 per cent. In the context of what has been happening in recent years with cut-backs in road construction moneys, this year's performance will have a dramatic effect on road construction programmes generally. We have been behind inflation in road construction for many years, and this is something we have to consider. As Governments we have been giving it a reasonably low priority but the community hasn't. The increase in the number of motor vehicle units on the road has been dramatic in recent times, and the community is giving a high priority to motor vehicle transport. Governments argue whether more money should be going into public transport areas or whether there should be budgetary restraints on road programmes generally, but the community is not concerned at all about that. The number of motor vehicle units on the road has shown a dramatic increase and there is no sign that it will slow down. As Governments we have to recognise the community's needs.

I have studied the Commonwealth Bureau of Roads Report, which shows a 3.9 times return on investment in road construction.

The figures are based on the costs of maintenance of roads, the costs of accidents and various other factors. The nation as a whole must make a much bigger investment in road programmes. At present many of our roads are unsafe, inadequate, obsolete and lagging dreadfully behind the community's needs. The Government simply must recognise that road construction has a high priority with the community generally. It must say, "The community believes this is a very important matter, so we, too, should be giving consideration to it."

From revenue collected by way of the fuel tax the Commonwealth Government is returning only approximately 50 per cent to road construction. The States, on the other hand, are allocating to road construction all moneys collected from the motorist. It seems to me that the time will come when we will have to look to Consolidated Revenue for an allocation to meet the needs of the community in road construction and maintenance.

Clearly one of the very worrying features of the Budget is that concerning the operation of the railways. It will pose a tremendous problem for the Government, which is in danger of having a white elephant on its hands. Even with the increases in rail freights provided for, the Government is budgeting for a deficit of \$140,000,000. The time is coming when a huge rationalisation may have to be considered. When the present position is garnished with the Government's policy of gradually decreasing permit fees until they are phased out altogether, it is seen that, with the possible exception of some of the large bulk commodities, it may no longer be economical to carry goods by rail.

The fruit growers in my electorate, who still transport their goods by rail, are presently searching their souls and their account books to determine whether it will continue to be an economic proposition for them to do so. There is a greater degree of inflation in railways operation and maintenance than there is in road transport. There is intense competition in this area. This, together with my earlier comments on road construction, warrants a very close look at the present position. More and more commodities that presently are carried by rail will be transported by road. This, in turn, will mean that more money will need to go into road maintenance and construction in the future.

The fruit growers in my area have expressed grave concern at the 15 per cent increase in freight rates provided for in the Budget. They feel, as I do, that every argument used in support of the case presented by the grain growers could be presented on their behalf, too. They do not begrudge the Budget concession granted to grain growers. As I say, they contend that every argument put forward by the grain growers to seek concessions in rail freights could be put forward on their

behalf. The time has come when they must look at alternative methods of transporting their products. The economic plight of their industry is, in many respects, even worse than that of the grain industry.

The citrus industry is in as much trouble as the meat industry. So I ask the Treasurer to reconsider the position as it applies to the fruit growers. He has foreshadowed further increases in rail freights in line with inflation. If these increases are imposed, it will no longer be economic for fruit growers to consign their goods by rail. Intense competition has come from road-hauliers and the fruit growers will have no alternative to looking to them for the transport of their goods. It would be wise of the Government to consider the fruit industry in the same context as the grain industry.

Mr. Casey: The pineapple growers as well as the citrus growers are in a serious position.

Mr. AHERN: I used the term "fruit growers" to include the pineapple growers in my electorate.

The Treasurer referred to the constraints that were present in the framing of this Budget. We all realise the need in Australia to follow the lead of the Federal Government in maintaining restraint in capital expenditure by Governments and in not increasing State charges to any significant degree. Those are the strict guide-lines that the Treasurer has wisely followed. However, I would like to mention a couple of other matters for his future consideration.

The first relates to beach protection subsidies. I understand that in recent times the Cabinet appointed some sort of committee or working party to examine subsidies for beach protection works carried out by local authorities. At present the subsidy is of the order of 20 per cent. The chairman of the Maroochy Shire (Councillor De Vere) is a member of that working party. It has investigated the minimum amount of beach protection work that has to be carried out in the near future along the Queensland coast if very expensive remedial measures are to be avoided later on. The members of the committee looked at this in the context of what was likely to be done.

With the subsidy at only 20 per cent, ratepayers and shire councils are loath to commit huge amounts of loan moneys to beach protection works. There is obviously ratepayer resistance. Ratepayers generally say that works of this nature are not entirely for their benefit, particularly when there are other high-priority calls on loan allocations. They say that beach protection, in many respects, is for the benefit of tourists, who come into the area and provide very little revenue for the alleviation of the ratepayers' burden. So the basic works that the Beach Protection Authority and this working party said had to be done are not being done.

As I understand it, the working party recommended to the Cabinet that the subsidy be increased to 40 per cent. I hope that that can soon be considered. If works to the value of half a million dollars are thought to be necessary in an area—and they can quite easily run to that sort of money—and if the shire council knows that the Government will subsidise to the extent of \$200,000, the works will be done. However, I fear that on the present basis many of the schemes that should be carried out will not be. As a result, the beach protection effort will be based not upon prevention, but rather on cure—and cure is many times more expensive than prevention.

I wish to make particular reference to the portfolio of Marine Services, which received little mention in the Budget. However, it is an area of great concern to the people in my electorate. Recently I attended a meeting of trawler owners and other people interested in the Mooloolaba Boat Harbour, which was called as a result of the considerable concern that had been expressed about the increase in mooring charges. For the information of honourable members, those using moorings throughout the State have recently had their charges doubled by the State Government to allow amortisation of the capital cost and provide some contribution towards maintenance.

I shall refer briefly to the history of the funding of this type of work. Traditionally \$600,000 was provided by the Federal Government as a refund to the States from the fuel tax. It was said that the users of small boats were entitled to a refund of a specific amount on the basis of fuel used. An amount was paid to the States for works in that particular area. So, historically, the Smallcraft Facilities Fund was allocated some \$600,000 from the fuel tax. That was scrapped in the recent five-year agreement on Commonwealth aid for roads.

The State Government looked at the problem in the context of escalating costs and increasing capital demand and has simply said that the users will have to pay. As I read the documents presented by the Treasurer, the Smallcraft Facilities Fund is to be wound up and these facilities are to be financed from the Harbours Corporation Fund. What it means to the trawler operators is that their mooring charges have doubled in one year, and they have been given notice of greater increases in the future. The Budget provides for an expenditure of \$1,760,000 in this area. This is too much to be covered by mooring charges. Nobody in the fishing industry is making an absolute fortune or can afford to have these charges, which are already high, increased very substantially again to the point of doubling, with further increases foreshadowed.

I say this in the context of a comparison presented to me at this meeting. It outlines the charges imposed upon those in the fishing industry operating from Mooloolaba

Harbour and Brunswick Heads. The Mooloolaba co-operative, which is one user of the harbour, pays a rental of \$3,500 to the Department of Harbours and Marine for its land. It also pays council rates of \$2,600, water rates of \$568 and mooring charges of \$400 a boat (which amount to \$12,800), making an over-all total of \$19,468. The Brunswick Heads co-operative has 32 boats and the total charges met by it are \$800 a year. It pays \$400 in harbour dues, which cover the 32 berths, loading berths and slipway installations, and \$400 to meet building and land costs, which include rent, council rates and water rates. Clearly what is happening is that the New South Wales Government is historically assisting the fishing industry by subsidising costs.

The Government cannot continue to increase these charges at the present rate. The increases are not indicated in the light of the profitability of the fishing industry or in the light of what is happening in the other States. It is simply not good enough to say that the user will have to pay. I ask the Government to reconsider the matter.

In Sir Gordon Chalk's last Budget, we were presented with a very worth-while proposal called the urban passenger subsidy programme. It provided for a great number of capital works which were appreciated. Passenger services were to be provided with a capital works subsidy. Implicit in it was a pensioner subsidy programme. In talking to the enabling legislation at that time on behalf of the people I represent, I voiced concern that pensioners in my area found it difficult to understand why they were discriminated against in this regard whereas their counterparts in some other circumstances which appeared quite parallel to theirs received the pensioner concession.

The Minister of the day said to me that this matter would be studied to see whether consideration could be given to areas such as mine, which is quite urban in character and has in the town a licensed public transport service that is used by pensioners. But this subsidy has not emerged in this Budget. I hope that in the future we will see something along these lines, which could be provided at very little cost to the Queensland Government.

Recently in this place I had cause to express concern on behalf of my local local authorities at the allocation to local authorities of funds made available from Federal sources. There were clearly injustices in that Federal programme, as I said very vocally in this Chamber. Even with the constraint that the Treasurer referred to in his Financial Statement when he said that these funds were mainly tied to the old programme of grants by the Federal Local Authorities Grants Commission, I believe that our local authorities were badly treated when it is considered that other local authorities in a similar category that missed out under the Whitlam Federal programme have still benefited handsomely under the present allocation formula.

As the Treasurer has made specific reference to this matter and as his portfolio is involved, I ask that in the allocation of the \$5,000,000, which he is again very happily making available to local authorities this year by way of grants from State sources, he consider the position of the Sunshine Coast local authorities. I ask him to call for a brief statement of the valuations of the shires concerned, the money that must be spent on servicing a very extensive tourist industry and the percentage of pensioners in the population. They come to these coastal areas to retire and they have difficulty paying rates that tend to escalate as values increase. I ask the Treasurer to look at these matters in these contexts and at the treatment received by our local authorities. I believe that he will agree with me that we were poorly treated, and I ask that in the allocation of that \$5,000,000 he make an assessment of the situation and afford some relief.

The Treasurer is giving some concessions in land tax and I believe that these are valuable because of the increased valuations on rural lands. However, I would draw his attention to the abolition of land tax in South Australia.

Mr. Houston: A Labor State.

Mr. AHERN: That is a fact of life. Land tax has been abolished in South Australia, and I believe that it is a worthy goal in Queensland.

When one looks at rural landholders' effective operating costs today, it will be seen that many landholders, on the advice of their accountants, have to incorporate their assets, and when they do that they incur land tax. The concessions which apply to individuals disappear on incorporation, and so many primary producers who have to incorporate lose the land tax concessions which are provided for and have been provided historically by this Government in our time. I do not believe that this is realistic. I ask the Treasurer to look at this particular matter. I hope that one day we will be able to follow the lead of South Australia. In the meantime, he might be able to give some concession to primary producers who have had to incorporate for accounting purposes. In the past, with the application of succession duties it was absolutely essential for people to incorporate. The Treasurer may be able to provide some relief in the area of land tax.

I now wish to discuss the industrial estates of the Department of Industrial Development. I note that it is proposed to increase the Industrial Estates Construction Fund to \$5,034,000 from the figure of \$4,200,000 for last year, and to increase works by \$790,000. I feel that in this area we must increase expenditure handsomely in the future if we are to lead Australia out of the economic doldrums. If we receive some extra money by way of stamp duty during the year, this is one area to which I would

like to see some of it allocated, so that we can give a lead to industry by showing that we are prepared to offer a huge variety of concessions to enable an improvement in employment in this country. I hope that something more can be done in the light of economic circumstances as time goes by.

I am very happy to see in this Budget the end of succession duties in Queensland. I am very happy also that the Treasurer was able to provide some relief in pay-roll tax and make some very valuable reforms in workers' compensation. It is a Budget to cope with inflation, and in the circumstances I believe our new Treasurer has done very well and deserves the congratulations and thanks of honourable members on this side and, indeed, if members opposite are non-partisan, of all members of the Committee.

Mr. WRIGHT (Rockhampton) (4.21 p.m.): From the outset I wish to give credit where credit is due, and having read the Budget thoroughly, I must commend the Treasurer on the form in which he has presented his Financial Statement. It is a marked change from previous years and I found the document far more explanatory. Greater detail was given as to the reasons for the budgetary action taken. We even saw the inclusion of tables of specific increases in education, health and welfare services. Again, there was additional information when it came to the capital works programme and we had a rather expansive explanation of the prevailing economic conditions and the effect they have on primary, secondary and tertiary industry.

I believe this approach is commendable and I hope it will continue in this Chamber because it is of great assistance to members. It also acts as a good aid to students who have to undertake studies of budgetary processes at a State level. As honourable members know, very little is written about the State budgetary process and this will be of great assistance to those studying public administration. It does give up-to-date information, and as a result of the Treasurer's doing it this way, we have had a more critical appreciation of what this State has had to put up with from the Commonwealth Government. Considering the contents of the Budget, I believe that they are what most of us expected.

There were three choices open to this State following the Fraser-Lynch Budget. The first was to drastically cut services and the capital works programme, the second was to increase indirect taxation and the third was to introduce a new tax on personal incomes of Queenslanders. The previous Treasurer said that this would not happen and during the Budget debate last year the present Treasurer said that it would not happen, so he chose the first two. So now we have these cut-backs, which are extremely severe. But I suppose the Treasurer had little choice, and this comes back to the whole

question of the restriction to 5 per cent placed by the Commonwealth Government on increases in Loan Council borrowings which nowhere near meet the inflationary demands the States have to contend with. There is also the reduction in Commonwealth revenue made available as Specific Purpose Grants under section 96. We know, too, that not only are they less now but that they are going to be phased out over a three or four-year period.

So we have had this substantial reduction in the over-all capital works programme of the State coupled with a freezing of the staff level in the Public Service, which is going to be restricted to the level as at June 1976.

These are the facts. These are the choices the Treasurer made. Queensland's share of the Australian Loan Council's approved capital works loan and grants programme allocation is only \$181,100,000 of which \$120,700,000 is loan borrowings and \$60,400,000 non-repayable grant. This is only a 5 per cent increase on that of 1976, and so no cognisance was taken by the Federal Government of the problems that every State must face. It has taken no cognisance of the fact that the construction costs for capital works programmes have increased by something like 20 per cent; nor has it had regard to the need to provide additional State services and facilities. And so we are faced with a dilemma, a dilemma that must have a serious effect on the over-all needs of our community, including the construction of our schools, hospitals and roads. When all this is added together, we are going to find that we will have not only a reduction in the capital works programme, but also great unemployment.

We have to accept the fact—I was pleased the Minister said this, and I refer honourable members to page 4 of the Financial Statement—that private enterprise does depend on public-sector spending. It certainly does depend on it greatly, and any cut-back in public-sector spending must harm those involved in private enterprise, particularly employees, because projects will not be forthcoming.

There is also a flow-on effect in the semi-government and local government spheres, in which there is an increase of only 18.6 per cent on last year's debenture loans allocations. That must restrict sewerage programmes, road construction, water-supply schemes, and flood-mitigation schemes. There has been a total slow-down of the development of this State because of what Fraser and Lynch have done, and again this must have a serious effect on unemployment in provincial and rural areas.

The Treasurer is aware of the problem, and I think we must give him credit for at least recognising it and having the courage to say so in the Financial Statement. He

has justifiably criticised the Liberal-National Country Party Government at the Federal level for its policy of contracting the public sector to the degree that it has. The cut-backs are too severe, and I suggest to the Committee that many of them are totally unnecessary. Because of the unnecessary aspects of the cut-backs, there needs to be a total review of Commonwealth budgeting. An injection of Commonwealth funds into selected areas of the public sector is needed, and that point has also been well made by the Treasurer. I believe that it can best be done through the States and local authorities, and I cite three specific areas, some of which have been mentioned already by other honourable members. They are: firstly, roads; secondly, sewerage; thirdly, housing.

It is to be noted that road funds have been increased by only 2 per cent, yet Queensland has some of the worst roads in Australia and Central Queensland is a shocking example of the neglect of both State and Federal Governments over many years. It does not go back only a few years; it goes back many years. If you look at the newspapers in Central Queensland, Mr. Kaus, you will find that the honourable member for Rockhampton North (Mr. Yewdale) has advocated that there should be greater expenditure. You will find that the newly elected member for Port Curtis has also advocated that. But it crosses party lines, because the honourable member for Callide has said on a number of occasions, "Let us do something about the roads in Central Queensland."

The road from Rockhampton to Yeppoon is extremely dangerous. If it is supposed to be a tourist road, then it is fifth rate. Every Minister who has held the Main Roads portfolio has promised to build the Yeppen crossing. They have said, "We will have this Yeppen crossing to Gracemere", but it has never been built. There has been totally restricted development in the region because that crossing has never been upgraded.

The Capricorn Highway has been improved slightly, and I accept that; but many sections are still death traps. The roads to the Dawson and Callide Valleys—the Banana Road, for instance—are no more than goat tracks, yet they do not seem to have the priority that is necessary for the Government to allocate more funds; nor is it high enough for the Commonwealth Government to say that Queensland needs an increase of more than 2 per cent on its 1975-76 allocation.

If one goes through the accident statistics, one finds that there have been numerous accidents in the Central Queensland region not only because of drink or speed, but also because of the condition of the roads. There has been great damage to vehicles, and this will continue. There will be a continuing effect on business from the Central West. Similarly, because of the road that the people have to use, they will not come to the coastal areas.

Again, while there is a cut-back in road construction, there will be a marked effect on employment in both the public and private sectors. It must be remembered that in Queensland most of the roads are constructed by private enterprise. It seems that there will not be any relief this financial year, because we have a miserable increase of \$1,700,000 from the Commonwealth under the National Roads and Roads Grants Act—less than 2 per cent—in spite of the fact that costs have skyrocketed. No-one in Government at the Federal level seems to care a damn about this.

However, I believe that the blame can also be placed at the feet of the Queensland Government, because although the financial commitment is in the main a Federal one, this State has the responsibility to put up Queensland's case and apparently the case was not properly put. There does not seem to be any advantage in this Government's being of the same political colour as that at the Federal level, although the Premier tried to lead the people to believe before the Federal election in December that that was important. Pressure must be applied at the Federal level in Canberra, and it is the responsibility of the Government of this State to do something about it. Queensland has a special case for road construction because of its decentralised nature and its geographic size, and Canberra must be made aware of that.

The problems in Central Queensland that I cited are not isolated. They relate to every part of the State, with the possible exception of some sections of the Brisbane metropolitan area. They are certainly bad in the West and in the North.

Much of this comes back to the deceitful approach or policy that this Government adopted over the last few years by reallocating funds from country roads and roads in provincial areas to roads in the metropolitan area. If we are going to overcome the problem a better case has to be put. Demands have to be made on Canberra; demands have to be made to Mr. Lynch on the basis that Queensland has a special case. I suggest that if this money is forthcoming—and I doubt it, because of the way the Federal Government treats the States—it should be passed on to the local authorities to help them with their road-works programmes.

A like situation exists with the sewerage programmes. Under the national sewerage scheme Queensland's allocation has dropped from \$13,800,000, which Labor gave last year, to \$1,000,000 for 1976-77. This has put many local authorities in a serious plight. I take the Livingstone Shire as a typical example of a local authority that is in trouble because of its sewerage works. It has undertaken a massive programme that it will never be able to pay for. It is bogged down. It has a general debt that is reaching something like \$250,000. That shire is faced with lack of funds, but it is not isolated; it is not a man Friday in any way. It is typical of almost every

other shire in the State. If the money is not forthcoming, that very important service will not be provided.

Again we come back to the unemployment question. If the local authorities do not undertake these capital works programmes, they must lay off employees or cannot employ other people. So the choice is left to the local authorities. Do they wipe their programmes or do they borrow from elsewhere? I would like someone to tell me from where they would borrow the additional money. Additional funds must be made available for sewerage works. It is an indictment of the Federal Government that this money has been cut back from \$13,800,000 to \$1,000,000. The Federal Government has sold out the people in country and provincial areas.

Let me go to another area. The cut-backs in housing are even worse. We are told in the Financial Statement that this year the Queensland Housing Commission will be restricted to building only 800 houses. The latest statistics I saw indicated that there were approximately 8,000 applications for Housing Commission houses in this State. We have already had a fall in construction over the last couple of years. In fact since 1974-75 600 fewer houses have been built in this State. Now we are to build only 800 homes for the total financial year. This is an attack on the living standards of the people of Queensland; it is an attack more especially on the low-income groups and families.

I laugh when I think of the statements of the Minister for Works and Housing. In this Chamber and on TV he dished out a lot of ballyhoo about the increased loans that were going to be available and how lower deposits would be accepted. We know that if greater individual loans are made, fewer houses will be constructed. What is the sense of having better terms of borrowing, if the money is not there to borrow?

Queensland is facing a very serious housing shortage. In the Central Queensland area caravan cities have grown up everywhere, although admittedly many of them are in mining areas and adjacent regions. The costs of that accommodation are exorbitant. The living standards in some of the caravan parks are fifth rate. Some of the families have had to live in tents as a temporary measure. We have even had instances of Aborigines living in drain pipes because accommodation was not available. There is an impossible rental situation confronting pensioners and those on fixed incomes. This Government has a responsibility to do something about it, just as the Federal Government has.

In my region the problem has been compounded by the influx of students in Rockhampton. Three or four of them will rent a home at \$45 a week, thus competing with the ordinary family. Today families are paying \$40 and \$50 a week for substandard

accommodation. Deserted wives and widows are forced to share homes; newly-weds are living with their parents. Yet we have this restriction on home-building at a State and Federal level, a restriction which must not only be detrimental to the living standards of people but also have a very serious effect on the building industry and again on employment.

There is a flow-on effect in the timber industry and the ancillary industries that manufacture home and domestic needs. The situation will only worsen because the need for homes increases daily. The demand is there; it is not getting less. Two or three years ago applications totalled something like 5,000, but today the figure is 8,000, while the demand is increasing, the number of houses constructed will be decreasing. To start with, the Government must reset and review its priorities in these areas; it must reallocate funds into the housing industry; but, above all, it must exert pressure on the Federal Government to obtain additional welfare housing finance.

We have said before in this Chamber that the housing industry is a vital sector of any economy. It is poor budgeting on the part of this Treasurer, or any other person involved in budgetary processes, to restrict this area and at the same time to swoop the Treasury by \$30,000,000 in one full year from the removal or elimination of succession duties.

I accept the desirability of removing this iniquitous tax, but surely we must ask the decision-makers whether this State can afford to do this completely at this time. The Treasurer has said that the removal of succession duty and gift duty will cost the State approximately \$30,000,000 in one full year. If that sum were reallocated into housing it could mean the provision of an additional 1,400 homes each year for the unsheltered and those living in substandard accommodation.

Since September 1975 duty has not been payable on a succession passing to the surviving spouse. In the Bill that was brought forward other exemptions were provided for. So I ask personally why we could not have had a liberalisation of succession duty in this Budget instead of total exemption and total removal. Why couldn't we reallocate those funds to other important priorities, such as housing?

It may be good politically to say, "We are going to attract investment from other States." Nevertheless I question the total removal of succession duties at a time when this State is faced with severe cut-backs in general expenditure and in the provision of facilities and services for the vast majority of the people of Queensland.

Whilst considerable benefits will flow to some people from these measures, it is apparent that increasing the cost of State services and indirect taxes amounts to robbing Peter to pay Paul.

The Treasurer has had much to say about the losses incurred by the Queensland Railways. I accept that the situation is serious. There is a deficiency of \$70,700,000 before providing for the charge of \$26,500,000 that is applicable to the railway general debt. In typical bureaucratic fashion the Government has provided a solution by simply increasing rail fares and freights by 15 per cent.

Mr. Aikens: What are you suggesting?

Mr. WRIGHT: If the honourable member listens, probably he will learn something.

Last year the increase was 40 per cent. In spite of that, the loss incurred was in excess of \$90,000,000. On the Minister's admission, the 15 per cent increase will do little to reduce this escalating loss.

There is merit in the argument that the railways contribute much more to the development of the State indirectly than they do simply by raising revenue. I do not believe that the railways necessarily have to make a profit, even though this would, of course, be desirable. The Government has a responsibility, after all, to open up areas by way of development, to decentralise and to be involved in regional promotion. It also has a responsibility to assist the primary producer.

The Budget recognises the plight of the beef producer and provides some assistance by holding back increases in rail freights to the level that existed until November 1975. It also provides concessions to grain growers. But, as the honourable member for Landsborough and other honourable members have said, nothing has been done for other producers, such as the fruit and vegetable growers. They will be forced to rely totally on road transport. Nothing has been done to assist the consumers in country and provincial areas.

Yesterday I took out some figures of current merchandise freight rates from Brisbane to Rockhampton. On class 1 the rate is \$43 per ton. I thought it should be per tonne, but the rate was given to me as being that per ton. Class 2 attracts a rate of \$80.60 per ton. These two classes comprise ordinary consumer goods, class 1 covering groceries and class 2 covering consumer durables, such as electrical appliances. An increase of 15 per cent in freight rates on those items will mean that the cost to the consumer must increase.

All of us have heard about special rates for commercial interests. Yesterday I was given the general freight rate to Townsville, which is over \$90 per tonne to the ordinary consumer. I was told also that some of the commercial enterprises there are able to freight the same commodities for around \$40 per tonne, but the benefits are being passed on.

It is a joke for this Government to talk about decentralisation and regional development when it increases freight rates on

consumer items by over 55 per cent in about 13 months—and that is what has happened. Is it any wonder that people are deterred from living in the country and provincial areas? Is it any wonder that people are leaving the rural areas and country towns and moving down to the metropolitan region?

We know, too, that there is very little incentive for industry to decentralise. Again, Rockhampton is a pretty good example. The member for Landsborough talked about the industrial estates. He said the Government is going to spend something like \$700,000 this year in their development. We ought to look at the ones we have. In Rockhampton we have a major industrial estate set aside at Parkhurst and another at Park Avenue, with hundreds of acres available. Those estates have been kerbed and bituminised; yet in the last six years or seven years new industries have simply not materialised. In the Parkhurst area we have a new tiling works, a brickworks, a honey-bottling enterprise and an amalgamated chemical industry which is in mothballs. Others, admittedly, have been established in the Park Avenue area. However, those gains have been offset by losses of such groups as: Thomas Browns, who left the area; Dalgetys, who closed down their hardware; Walter Reids, who closed down their grocery wholesaling section; Denhams, who closed down their wholesale and dry groceries; and even our brewery (which I have some personal views about; however, it was employing people in the area). It had to close down. One fellow in an executive position told me that they simply could not compete with the freight rates from Brisbane. Previously we lost a furniture-manufacturing firm, a business factory and a cannery, to name just a few.

It is time that we looked at industrial development in the country areas—in the decentralised areas. Central Queensland, to name one—and especially Rockhampton—lends itself to the establishment of a number of industries that would relate to the existing industries in the region. We have two meatworks in Rockhampton and another in the Dawson Valley region—but what has been done about establishing a tannery? We have the massive coal-mining ventures in the area—but what thought has really been given to the establishment of a petrochemical industry? Likewise, a real case could be put forward for the establishment of a seed-oil plant. It would be admirably suited to the area because of the agricultural pursuits being carried on in the Central Highlands.

So often we have the Premier getting up and saying, "We are looking after the country areas and the provincial cities." But what is really being done? Instead of helping them, the Government is driving industry away from those areas. It is putting on special freight rates that enable the metropolitan areas to undercut their counterparts

in the rural and provincial regions. There are ridiculous anomalies that need to be overcome. Cement manufactured in Rockhampton by Central Queensland Cement and Lime Company is cheaper right down the coast than it is in Rockhampton. The same is true of pineapples from Yeppoon. Petrol is cheaper in Emerald than it is in Blackwater, 40 miles closer to the coast. It is cheaper per kilometre to send cattle from Lowmead, which is just north of Bundaberg, to Cannon Hill than it is to send those same cattle to Gracemere, so much closer. It takes 16 hours to go to Cannon Hill, but only five hours to Gracemere. However, per kilometre, it is cheaper to send cattle to the South.

I had an example of the freight disparity given to me recently by a farmer in the Biloela area. The freight on polythene piping to Biloela is \$82 per cubic ton, plus a 100 per cent surcharge for bulk. He gave me this example: a coil of 2 in. polythene pipe, 100 metres in length and 54.5 kilos in weight, cost 17 cents per kilo to freight from the South to Biloela. Yet it is said that the Government is helping primary producers and helping those in decentralised areas. I believe it is clearly apparent that this Government is not interested in the people outside the metropolitan area.

Industries, both primary and secondary, are being savaged by unfair freight rates. Manufacturing industries are being undercut and the consumers are being exploited. Now the problem is being further compounded by another sharp freight-rate increase. There is a real need for this Government to review its railway policy. At the moment we are plagued by secret freight agreements. We are undermined by special deals given to private enterprise such as Q.R.X. The result is that trade is taken away from our railways.

There is no benefit to the employees. I invite Government members to have a look at the substandard conditions—the 19th century conditions—under which some of the fettlers in their own regions live. They live in shocking huts, sometimes without the normal amenities that we take for granted, such as running water and electricity. We are not helping the passengers, who find great difficulty in getting berths. In fact, it is almost impossible to get a sleeping berth on some of our trains unless a booking is made many, many months ahead. Moreover, no encouragement is given to tourists to use the railways.

I went to the Railway Department yesterday and obtained a total list of the special fares that are available. It is easy to obtain information on air fare concessions for travelling in a group, such as a recreational group or members of a religious body. But let us examine the railway situation. This is the total list of special fares available. Half fare for school-children on holidays and a free ticket—how wonderful—for teachers

or a person in charge of a group of 20 children on an excursion. It is no wonder we are going broke being so generous. There is no concession for adult group travel.

I believe that we have to look back to private enterprise for the answer. When a product is not selling, or when a profit is not being made or a loss is being suffered, private enterprise has three main choices. It can remove the product from the market, increase its price or do something to encourage consumer demand for it. When it comes to the railways in this State, the Government always takes the second choice and increases rates or fares. Then because of the increases, the demand falls off. It is a case of the dog chasing its tail.

There is a right time to review policy, and I believe it is now. The losses we face in the Railway Department should be offset by raising the freight rates under the secret agreements that exist in this State. I refer specifically to the coal companies. The losses should be offset also by promoting the railway service as an acceptable mode of travel.

I am well aware, as the Treasurer pointed out, that if it had not been for the mineral freight receipts the loss would have been close to \$135,000,000 rather than \$95,000,000. But these companies have the ability to pay. This fact is substantiated by even a cursory look at the declared profits of some companies. I have taken out a few figures. For the year ended 30 October 1975 the profit of the Utah Development Company after tax was \$100,958,185. For the same year, Utah Mining made a profit of \$8,135,543. For the nine months ended 30 June 1976—and note that this is for only a nine-month period—the declared profit of Utah Development Company after tax was \$101,661,000. For the year ended 30 June 1976 the Thiess profit after tax was \$11,243,000. For the year ended 30 December 1975 Thiess Peabody Mitsui made a profit of \$14,317,342.

It is quite apparent that they are not going broke and that they could well afford to pay for the advantages of having a State railway system in Queensland. I recognise that freight rates on mineral resources such as coal bring to the State Treasury in the vicinity of \$38,000,000. But it would be interesting to know the State's costs in maintaining the lines, let alone servicing the equipment used.

We have also special freight agreements with manufacturers. I accept that these should be continued if they are helping regional development and decentralisation, but only if the degree of benefit is passed on to the consumer. This is not always happening.

The second need for change centres on the need for the promotion of the railways as a better means of travel. Today there is

not much difference in cost between travelling by train and travelling by coach. I think that this is a despicable situation. I advocate that the Government co-ordinate with the Queensland Government Tourist Bureau to sell train travel to tourists and to the ordinary public.

Those who have used the railways know that they are an ideal means of travel for a family. Queensland has some excellent scenery that is not noticed by a person travelling along a highway. Railway travel is far less dangerous and can be more comfortable, but it needs to compete with the alternative modes of travel—the coaches and the private cars, let alone the airways.

If we copy them, we will introduce something like special tourist concessions to encourage people to travel from point A to point B and to involve themselves in the tourist industry in Queensland. We ought to encourage family group travel by offering concessions. We ought to be giving concessions to sporting bodies so that they can benefit financially from travelling in groups.

We need to collaborate with the tourist entrepreneurs in the various areas because we would be putting money into their regions. We would be conveying many thousands of people from Brisbane to Bundaberg, Rockhampton, Mackay, the gem-fields, Townsville, Cairns, and so on and would thereby help further their industries. We would also need to instigate a speedy service for business personnel.

To sell rail travel, we must upgrade the accommodation that is available. We must improve the dining-car services as well as the on-station facilities. It is not good enough simply to increase the charges. We must create greater demand. I suggest that at the moment there is too much reliance on industry. We sit back and say that we will increase the fares for those who commute from the various suburbs of Brisbane. We increase the freights on consumer goods in the country areas and depend on the mineral industries to offset losses. We underrate the value of the individual commuter. It is unfortunate that the freight rates and fares are increasing because we will turn many people away from the Railways Department and force them to use road transport.

These are not the only problems that we face in this Budget from increased costs. The Treasurer skated over the fact—in only five lines—that Titles Office fees, court charges and registration of business names fees will be increased. Again I took out figures on this and I found that the lodging of a document for a mortgage release or a title transfer already costs \$20, and a titles search, \$1.25. So it will be very interesting to get the specific figures on these increases. The Treasurer said that the increases will provide \$1,700,000 in the current financial year, but again it will be the ordinary person who must carry this cost.

One area of expenditure that I am pleased with, however, is education. The total allocation to the Department of Education will be \$396,700,000, which is an increase of \$67,600,000 or 20.5 per cent over last year. While I accept the fact that much of this increase is needed to meet the increases in salaries, I admit that many of the problem areas have been recognised by the Minister for Education or by the department, and eventually by the Treasurer, and they are trying to deal with them.

The allowances for teachers under the State allowance scheme have been significantly increased, and I am very, very pleased with this. The increases in allowances for persons living away from home range from \$40 to \$46. The maximum a person can get under State allowances is \$79.50.

It is a pity the Federal Government did not have a look at what is happening in this State. In Queensland under the Tertiary Education Scheme the maximum allowance the dependent student will receive when living at home will be \$24; and there is a new category for the dependent student who lives away from home with a maximum allowance of \$38. Altogether the maximum an independent-status student can get is \$43. When honourable members contrast this with \$79.50 they will understand why at least I am pleased with the increased allocation to student teachers given under State allowances.

I am also pleased with the 50 per cent increase in the textbook allowance because this is one way of offsetting the huge inflationary costs of textbooks in our schools.

The Minister has listened to the requests from those who are operating buses and those conveying children by private transport and here is another increase. The Treasurer has increased the general purpose capital allowance in State high schools by 30 per cent. This will certainly be welcomed by many of the schools facing great financial difficulty in providing the facilities and meeting the demands in the schools today.

Assistance to special schools is increased, and I certainly welcome the new scheme of grants to high schools for material and equipment for art courses.

There are also innovations that must be applauded. I accept that we are doing something for special education by providing aides. That does not mean that everything is rosy; half of the problems come back to the Federal Government. What has been done here is in marked contrast with the attitude that has been adopted by the Government's Federal counterparts towards education. There have been funding cut-backs by the Federal Government that will restrict the growth of pre-schools and this will restrict the growth of schools in many of our developing areas. Nor will it help the non-Government schools, which are again facing financial difficulty. Maybe the State per-capita

grants will stave off the need to dismiss staff in some of our non-Government schools because we have increased the per-capita grants for primary schools from \$111 to \$126 per annum and for secondary schools from \$175 to \$195 per annum. But this does not do much to help provide for remedial teachers and special staff for those schools that are trying to cater for those additional needs and that would employ teachers' aides, who have become an accepted part of the classroom environment.

I say that the Federal Government has sold out the students of this nation at every level—pre-school, primary, secondary, tertiary, and even the special level of education. But I am pleased that the Treasurer has tried to diminish the effect of these callous Federal restrictions.

The Federal Government, unfortunately, has prevented this Government from venturing into new areas. I was hoping that we might have heard of a new scheme to provide recreational aides for our schools. More time is being devoted to sport, recreational and cultural pursuits and the teachers do not always have the expertise to encourage these pursuits, nor do they have the time, and this has been recognised by the provision for teachers' aides in the classrooms. But because of the cut-backs in Federal funding this will never come about.

I was hoping also that we might see some changes for 1977-78 by the establishment of community colleges, which are fast becoming an accepted new level of post-secondary education in other parts of the world. It is time that this Government, regardless of financial cut-backs, took a serious look of the concept of community colleges and initiated steps to introduce them. We all accept education as a continuing process, and many people in the community upon reaching adulthood regret the fact that they did not have the opportunity, or perhaps the desire at the time, to pursue their studies. Likewise, a significant number of young people who have not a desire to undertake tertiary studies still wish to gain additional skills which could advance them vocationally or would be advantageous to them simply as ordinary citizens.

The United States of America already has 1,200 community colleges, which in some States enrol 66 per cent of all undergraduates. They are founded on the general principle of offering two years of education beyond high school to a wide variety of potential students—young and old alike—of varying intellectual abilities and with differing educational goals. Coupled with this is the provision of a curriculum which relates to occupational training, to general studies, to adult and continuing education, to remedial needs and to counselling and guidance, and which is highly oriented to community requirements. Embodied in the total concept, the colleges have a screening function for tertiary education. They could

act, one might say, as a salvaging point for those who pursued the wrong studies at a secondary level and, most importantly, act as a goal-finding or culling-out mechanism to allow young people especially to determine the vocation they wish to pursue in life.

We realise that many young people do not make up their minds about what they want to do until they have embarked on a course of study. Furthermore, the colleges adhere to the principle of equality of opportunity and, because of the relatively low cost to the student, enable an individual to further his or her study past secondary level. Today, with the restriction on quotas at universities this problem confronts every young Queensland and every young Australian.

The open-door characteristic enables every person who is a high school graduate or an adult citizen over the age of 18 to attend a community college, and thus maximises the educational opportunities for everybody in society. And in these days of high unemployment the colleges act as an effective delay mechanism in that many young people graduating from high school do not enter the job market for another two years. During this time they are given the opportunity to raise their individual employment potential as well as more carefully consider the type of employment that they prefer. Being community oriented, these therefore become the best institutions to provide the broad and flexible curriculum suited to the needs of the majority of people.

In Queensland an excellent job has been done by the Technical College Branch and by the more flexible Adult Education Board, but, while its record is praiseworthy, its terms of reference have not been such as to allow it to cater for the needs met by these community colleges I have outlined. There are many non-skilled and semi-skilled persons in this State who do not desire or who are not eligible to undertake full trade training but who would be prepared to be involved in short terminating courses which would improve their skills. In country areas there are again many people involved in rural industry who would like to learn welding, carpentry, saddlery, mechanics and other such skills if the facilities and the courses were available. This has been well proved when on occasions this Government has initiated courses in which certain skills have been taught. We have had these for many primary producers coming down in small groups to learn welding and so on, and they have proved the worth of such courses. In the cities and towns are people young and old alike who desire to learn typing, shorthand, dressmaking, homecraft, home mechanics, basic carpentry and so on but at present lack the opportunity, firstly because technical colleges are unable to cater for other than trade apprentices and, secondly, because adult education does not have the funds to run such courses permanently or in the depth that would be required.

Regional guidance has also played an important part in advising those ready for the employment market of the job opportunities available and of their capacity to meet specific occupational requirements. But even so, regardless of the part played by regional guidance, thousands of young people have ended up in unsatisfactory jobs or have undertaken study courses that limited their potential. At the university level, one often meets students who have enrolled in courses that were chosen in haste, and many have had to opt out because they were not mature enough to cope with the course selected. It is very regrettable that few can ever start again because the opportunity is not there.

Great numbers of adults, and especially housewives, grabbed Labor's N.E.A.T. scheme with both hands. I think that the number that enrolled is indicative of the desire in the community for a second chance at higher education, while the increasing number of adults who even put aside their pride and go back to high school full-time stresses the need for greater opportunity for adults to salvage or upgrade their academic records.

I accept that no Government, especially in times such as these when money is tight, could be expected to suddenly establish dozens and dozens of community colleges throughout the State. But that does not give exemption from total responsibility, and it does not prevent the establishment of two or three such community colleges on an experimental basis. Education is a life-long process, and Governments have the responsibility to give people the opportunity to pursue avenues of higher learning regardless of their age, background or socio-economic status. At times such as this, when plans are afoot to totally reconstruct technical adult education, surely steps should be taken to ensure that the final product—the new concept—meets the maximum educational needs of the community. Instead of pursuing the idea of building new technical colleges such as those that have been requested in Blackwater and Gladstone, surely consideration should now be given to this greater over-all community-college concept. In towns such as these, the necessary trade training would be catered for; but, additionally, the general educational needs would be given due cognisance.

The colleges in the U.S.A. are not restricted to a master plan; there is plenty of flexibility. I believe that in Queensland all types of recreational and cultural pursuits could be added to the general and occupational-type courses available. At a time when unemployment is over 5 per cent of the work-force and when entrance to colleges of advanced education and universities is severely restricted—more so in the coming year—the establishment of a one or two-year post-secondary course would be most welcome. It would delay the entrance into the job market, and in the long term it would equip many young people far better to cope with their occupations. On a more general note, young

people would be better prepared for their role as future citizens if they were given the opportunity to round off, as it were, their secondary academic studies by a period of involvement in general society-oriented studies.

While accommodation at many high schools is taxed to the limit, it is still feasible that some could provide the venue for such colleges in the interim. As it has already been admitted that over the next two years there will be a surplus of teachers, some could be seconded into these colleges to provide the necessary staff.

It is patently obvious to the interested observer that there is a need for community colleges in our society. For the reasons I have just outlined, it is apparent that it is within the resource capabilities of the Government to at least begin such a programme of alternative higher or continuing education without any protracted delay. If the Treasurer does not listen to anything else I have said, I hope that he takes some cognisance of the points I have raised about community colleges.

While dealing with education, I wish to refer to one statement made by the Treasurer in the Financial Statement. He said—

“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.”

Yesterday I obtained figures from the Education Department as to the number of teachers that it estimates will graduate from the various teachers colleges and colleges of advanced education in this State, and the figures given to me were: primary, 954; secondary, 618; special, 41. Surely there is a need for an explanation when the Treasurer said in his statement that in the current year only an additional 486 teachers will be employed, yet one finds that 1,616 teachers will graduate in the coming year. That does not include pre-school teachers, nor does it include those teachers who are undertaking diploma or bachelor or degree studies in education at the Queensland University.

I question the whole matter. Will the number of retirements be of any great significance? I accept the fact that a number of teachers from overseas will have contracts expiring at the end of the year, but this will not account for the great disparity in figures. Are we going to suddenly have a culling-out of married women in the teaching service? There has to be an explanation because the figures simply do not add up. They certainly do not allow for the points I have raised. They do not allow for the graduations from the university and the colleges.

Finally, I wish to refer to a community problem which is apparently not being catered for under this Budget. Until a few years ago this Government, and particularly

the Premier, tried to make out that Queensland had no such thing as a drug problem. I asked him about it on a number of occasions, but he said, “No, we haven’t got one.” It must have been rather embarrassing to him when the then Minister for Health (Mr. Tooth) gave us figures to show that we did have a drug problem. Now the Government suddenly recognises it. Police raids are being made everywhere. Marijuana, allegedly worth \$1,000,000, is being burnt. It is a big political issue, probably because of the forthcoming by-election. But the Government is not backing up its comments with money. I took out figures for the drug education programme in Queensland for the year ended 30 June 1976. The total cost was \$133,863.93. Of that, \$6,158.18 was the balance from the previous year. An amount of \$30.75 was from the sale of publications; \$175 was from the sale of films; and \$127,500 was a grant from the Federal Labor Government last year. The contribution by the State was nil.

The Government says that it is going to do something about the drug problem in this State. It is all very well to talk about it, but when it comes to spending cash nothing is being done. And the problem is escalating. A breakdown of the figure for drug incidents in this State indicates that in 1971-72 there were 430 cases involving the use of hemp, morphine, heroin and so on. The number rose in 1972-73 to 550; in 1973-74, to 972; and in 1974-75, to 1,183. The headlines continue to tell the story.

Mr. Moore: What is your authority?

Mr. WRIGHT: The figures are taken out of an annual report presented by the honourable member’s own State Government.

Let us look at some of the headlines. In the “Courier-Mail” of 2 April 1976 we saw the headline—

“School survey: One in 10 has tried marijuana.”

Another one in the same newspaper read—

“Claim abuse of analgesics in schools.”

And another one—

“Big police haul of drug plants.”

The “Sunday Sun” of 22 August carried the headline—

“Open go for Pushers!”

Regardless of the headlines and of the fact that we have these problems here—and the Premier is wielding the big P.R. stick, saying what he is going to do—nothing is being done financially in the education medium. This is surely what we should be looking for. I totally support the increase in the major fines. I personally support the idea of getting at the drug pushers and bringing the maximum fine to \$100,000.

Mr. Houston: Don’t you think those fines could be used for at least a start in drug education?

Mr. WRIGHT: That is an excellent idea. The fines should be used for drug education in the community. Instead we have the Premier wielding his big P.R. stick and Ministers getting up and saying, "We are going to clamp down on them. We are going to put them in prison for 25 years." In fact that may in some way be a cure for the problem, but it certainly does nothing for future prevention, which is where the emphasis should lie. It is simply an apathetic approach by this Government to drug abuse generally.

One should tie in here the alcohol-abuse problem.

Mr. Dean: It's very serious.

Mr. WRIGHT: I agree with the honourable member for Sandgate. I have seen reports of girls of 13 and 14 years being in hotel lounges. There was a recent report on "This Day Tonight" and another one on "Four Corners" about girls of 13, 14 and 15 years being rotten drunk. That was putting it mildly. But what is done about it? The Police Force is understaffed. The Government does not seem to care about it. Some hoteliers can do what they like. Because of lack of staff, the police cannot do anything about it.

I suggest that the Government is condoning abuse of alcohol. It cares nothing about the cost to the community of alcohol abuse; it gives no cognisance to death on the roads; it does not worry about the homes that are totally broken or destroyed by alcohol-abuse; it doesn't worry about the cost to the workforce through the inability of employees to do their job; it cares nothing for road victims. Yet it says it is doing something about abuse of alcohol. The Government is being totally hypocritical.

There is a need for an in-depth campaign aimed not only at the persons who are smoking marijuana but also at those who consume alcohol to excess. I agree that we should deter marijuana smokers and that we should catch up with the pushers. I agree with the Minister for Health that they are murderers. But let us do something about educating young people as to the real effects of alcohol-abuse.

The Premier recently opened a hotel-motel and praised the services that are offered by these establishments. I am amazed at him. He fails to realise that many people now believe him to be condoning the consumption of alcohol. They thought he was going to make a stand on the issue, but they find that, obviously for political purposes, he condones the consumption of alcohol.

It is time that action was taken against hotels that openly sell liquor to minors. A great number of hotels do this. It is time that this Legislature put its priorities in order. The abuse of alcohol is destroying our society. I accept that alcohol has a place in our society, but that place has to be clearly defined.

As we clamp down on drug offenders, let us make it a joint campaign and clamp down on the person who abuses alcohol. Let us do this by way of education. Nothing is done to make adults and young people aware of the serious effects of abuse of drugs, whether they be marijuana or alcohol. We must come to grips with the problem.

I wonder how much the breweries give to the Government political parties. I wonder what is going on and is not brought to the attention of the public. I wonder why the Government does nothing about the abuse of alcohol by young people in the community. It is time that something was done about it.

To sum up—I believe the Budget to be an understandable one. I note the fact that the Treasurer has expressed some concern, and also that he is hamstrung by Canberra. But let us not forget that it was this Government that in April of this year accepted the financial agreement; it was this Government that put its signature to those papers; it was this Government that said Queensland would be better off with 33.6 per cent of personal income revenue; it was this Government that said it would agree to the phasing out of specific purpose loans; it was this Government that said it did not care what the Federal Government did unilaterally by introducing levies such as Medibank. It is this Government that must accept responsibility for the problems that now confront the community.

General revenue is restricted. The Treasurer has said that there is "no certainty". This is what the financial agreement with the States was all about. The States were to know with some certainty what revenue would be available to them. But they did not take notice of tax indexation; this was overlooked. Instead of receiving an additional \$900,000,000 to be divided up among the States, they will get something like a paltry \$15,000,000. But there is no guarantee that even that money will come through. The agreement says very clearly that the most the States would get is related to 1975-76 or the previous year.

We can see that the Federal Government now has total control of the budgetary processes of the various States. So it is no wonder that the Treasurer comments on the lack of stimulus to the economy; it is no wonder that he challenges the total withdrawal of funds from the public sector; it is no wonder that he says there should be an injection of funds to certain areas. I am pleased to hear the Treasurer condemn the Federal Government's budgetary restrictions, because after all he was a member of the Government that accepted the new tax-sharing arrangements. He must accept responsibility.

I conclude by saying that it is a pity that he, the Premier and other members of the Government did not listen to the previous Treasurer, Sir Gordon Chalk. If they had listened to him, Queensland would not be in its present plight.

Mr. CASEY (Mackay) (5.14 p.m.): I feel very sorry for the new incumbent of the office of Treasurer, the Honourable William Knox, for having to introduce this Budget as his first. It came as no surprise to many of us that Sir Gordon Chalk retired when he did. It becomes pretty obvious now that he was aware of the problems that were about to confront the State of Queensland. As one who had held the office of Treasurer of this State for 10 or more years, he had brought down a number of reasonably successful Budgets and certainly did not want to be the arch-instigator of this one.

If we go back to June this year and have a look at the headlines that appeared in Queensland papers, we see that the problems confronting the State Treasury were just beginning. Those problems have resulted in the Budget now presented to us, which is merely an up-and-down Budget. We are just going up and down in the one spot. Before the Premiers' Conference in June large headlines appeared, "Joh will clash with Fraser on more money". The text of the article was that the Premier made a statement on how he was going to Canberra to tell Mr. Fraser, Mr. Lynch and everybody else down there what they should and should not be doing in the allocation of money to Queensland. He also said, "I will get more money for Queensland." "We will get more money", he said. What happened? Within the next couple of days we saw headlines from Mr. Fraser. He said to the Premiers, "Take it or leave it." What did they do? They took it.

Despite all the drum-banging and all the nonsense that we heard beforehand, there it was. In actual fact (this has been referred to by other speakers in this debate) this was part of the new federalism policy under which the States have been given the right to raise their own income in their own ways—not necessarily by taxation, as was indicated at the time and was often repeated in this Chamber. However, what has happened here in Queensland? The Government has done exactly as the Fraser Government has done; it has cut back on essential State development. It has cut back on essential capital works for schools and hospitals, and on maintenance work on these buildings. I doubt if there would be one member who could honestly say that currently there is a good maintenance programme for Government buildings in his electorate. Some are an absolute disgrace, with paint falling off the walls. High schools have panel after panel of glass broken and replaced with pieces of Masonite or fibro whilst waiting to be properly repaired.

The economic situation that presently faces Australia requires Governments that are prepared to accept their community roles. However, this State Government is a little like many of our local authorities. It wants to sit on its tail and put its hand out, like a beggar in the street, complaining if

nothing is received from somebody higher up. The simple reason is that it does not want to be unpopular. It does not want to introduce unpopular measures.

One of the most amazing passages in the Financial Statement appears on the first page, wherein it is asserted that "Queensland emerged as the fastest developing State in Australia". Let us examine some aspects of the real situation. I have heard it so often expressed by the Premier, Cabinet Ministers and Government members that the family is the very basis of our society and our community. I go along with that wholeheartedly. The family is the most important unit in the community. However, each and every family has not only the right but also the need to have a family home. After all, a family cannot function properly as a unit unless it has that necessary base from which to operate. However, the situation in Queensland is very bad indeed. Fewer and fewer Queenslanders are owning their own homes. The Housing Commission alone has some 8,000 people on its waiting list.

All that the Treasurer says is that consumer demand is slow. Why is consumer demand slow? What is the real reason for the slowness in consumer demand in this State and throughout Australia? I can sum it up in two words: interest rates. The current lending rates in Australia are so enormous that they are a burden on every sector of our community. They represent an imposition on the home owner, industry, our youth and any other sector of the community that has to borrow money. If we really analysed cost increases in recent years it would be amazing to see how many are attributable to higher interest rates. By how much has the cost of consumer products gone up because of the high interest rates paid by firms and companies that are operating on overdrafts? The interest is included in their overall costs.

Look at what it is costing the average home owner. It would require a loan of at least \$20,000 today to secure a house. At the current rate of interest, the owner would be paying about \$40 a week in interest alone on the amount borrowed. With the high price of furniture, he would have to pay another \$10 a week in interest, because money is lent for this purpose on the short term at a much higher rate of interest than applies to the purchase of a home. If he is trying to obtain a family car, which is essential when there are such poor bus services and other forms of public transport, particularly in country areas, he would be paying another \$20 a week interest over a three-year period. All of those figures are of interest only and not capital repayments. Everybody is buying more and more on the never-never. A person could be up for \$70 or more a week out of the family income to pay for the cost of money and for nothing else. In addi-

tion, he may be paying another couple of dollars a week on a budget account at a retail store to buy clothing.

I shall now deal with some of the other Government impositions, such as sales tax. A person could be paying a large amount by way of interest merely to pay to the Commonwealth Government the sales tax applicable to some of the equipment and furniture that goes into a home, a car, and many of the other things I have mentioned. People in country areas also pay the increased freight rates. They are borrowing money to pay the freight rate which is to be increased by 15 per cent following a 40 per cent increase in the previous Budget. In actual fact, in a period of just over 12 months there has been an effective 61 per cent increase in costs because of the freight factor. People are forced to borrow money at high interest rates to meet the additional costs that are being imposed on them.

In addition, the poor house owner has to pay rates and meet the cost of maintenance and improvements. It is no wonder there is a lag in housing as people cannot afford to establish themselves in homes. It is no wonder that families have problems. They are not able to establish the family home, which is the focal point of the family unit.

People who say that we have high interest rates because we live in a free-enterprise society should look to some of the other countries in the world. I have obtained figures from the Parliamentary Library on interest rates and Government security yields in various overseas countries. Without boring the Committee with a lot of figures I point out that interest rates in the United States for similar purposes average about 4 per cent less than those in Australia. West Germany is another highly industrialised and developed country. It is looked upon as having great productivity and its economy is booming. It has an interest rate of only about 7 per cent.

Mr. Knox: No inflation.

Mr. CASEY: I accept the Treasurer's comment. They may have no inflation, but is it a case of the cart before the horse or the chicken or the egg coming first? Do they have no inflation because their interest rates are lower or is it the exact opposite? Part of the inflation in Australia is the result of high interest rates which are an imposition on many people.

We hear a lot of talk about productivity and the necessity to boost the private sector. We hear a lot of talk of the need for restraint by unions. We hear these as things that are causing problems. We hear talk of consumer spending being the thing necessary to overcome problems in our community. I believe that this is a lot of hooey. The greatest field of non-productive industry is the lending of money.

Mr. Doumany: Where did you learn your economics?

Mr. CASEY: There is no productivity in the industry of money-lending. The honourable member who interjects has never raised a sweat lending all the money that he has acquired round the countryside. Nobody raises a sweat lending money—that's for sure. It is certainly an industry in which people—the Shylocks of the community, like William Shakespeare's Shylock in "The Merchant of Venice"—are making money out of having money. These Shylocks, operating lawfully in our community under the guise of major lending institutions and in many respects aided and abetted by Governments, take these days the blood as well as the flesh. They do it legally, and God help those in the great ranks of the unemployed in our community today. They have absolutely no chance.

If people are able to borrow for houses at a reasonable rate of interest, community spending is generated. If they can get this first figure, they can generate further community spending. They will buy furniture, floor coverings, household items, utensils and electrical goods for their kitchens such as refrigerators and stoves. They will buy paint and gardening tools. There is no end to the number of commodities they will buy, and surely all this is generating activity and industry. Once we get houses established, we will get consumer spending. Once we get consumer spending we get industry moving, including the private manufacturing sector. Housing becomes the main key to consumer spending which will lead us out of our economic problems in Australia.

I believe that one of the problems with consumer spending in Australia is that there are not enough consumers in Australia. All the talk that we hear about zero population growth from trendy people in the community is a great load of rubbish. In a nation such as Australia, still a young country, the greatest need is more people to generate our own consumer groups. We need more people in Australia to eat our own beef. We need more people to use our own wool. We need more people to use our own sugar, our own fruit, our own wheat, and all the other commodities that are produced from our own primary industries. Our manufacturing industries need more people to wear the clothes and footwear that are made in Australia, and to drive Australian cars. There is no end to the need for more people. The best and surest market for Australian products is the home market.

Surely there is no-one in this Chamber who could seriously contend that there are enough people in Australia. I hear some members bleating about it. I do not know of one member who has not said that he would like to have in his electorate more people, more industry and more development, which can come only with more people. More people would mean more consumers and more consumer spending. Families should be encouraged to have more, not fewer, children. The best migrant is the child who is born here in our own land.

The greatest Australian need today is children. We need plenty more kids, and plenty more development.

It is all very well for some to adopt a selfish attitude when they have what they want. They want it for themselves and do not want to share it down the line. That is in many ways what is happening to our country; and it is the result of the selfishness of this generation.

If they were prepared to have a few more children and to share with them the things that they have, that would be a start in overcoming their selfishness. The Government should encourage this and there are many ways in which it can do so. I well remember something I encountered earlier this year in New South Wales where the railways have introduced a family fare plan. The honourable member for Rockhampton a moment ago mentioned special things that the Railway Department could do to help people. Under the system in New South Wales, which was introduced by a Liberal Government—I must give credit where it is due—and which has been carried on by the Wran Government, no matter how many children there are in a family, and irrespective of where they travel, the parents pay for only the first two children. Why could we not introduce something like this in Queensland to help many Outback families who can never get enough money together to enable them to come to the coast to see the Gold Coast, the Barrier Reef and other such places? Why can we not introduce in Queensland a system similar to that in New South Wales?

But, as I said earlier, the key to the whole problem of family responsibility in our community is housing. Families should not have to live in caravans; they require houses. As I also mentioned earlier, there are 8,000 applicants for Housing Commission houses at the moment, yet we see from the Budget that only 10 per cent of the houses required will be built this year. I know in my own electorate there are 217 people on the Housing Commission waiting list, yet there are only two houses under construction. Of those 217 people, 24 have 80 points or more. That means they have an urgent need for housing. Either they are facing eviction or the dwelling in which they are living is unsatisfactory for families to live in—

An Honourable Member interjected.

Mr. CASEY: No, they do not live in drain pipes. It is obvious that I represent a better electorate than the honourable member's.

There is this problem and it is the result of the Commonwealth Government's making available insufficient money for housing. We have to get our priorities right. We have to start somewhere and I think we should sacrifice other things in order to increase home construction because that will generate spending within the community.

We see that even the provision of sewerage, which is most necessary in the community, has been jeopardised through lack of Commonwealth funds. Fancy cutting back on sewerage work to the extent we now see in 1976! This means that there are some in Canberra who, whilst they have sewerage, are prepared to see the have-nots in the community do without it. They think that they should do their business in a tin and keep it for seven days, as though it were of some value to them. Yet sewerage has been with us for 40 or 50 years.

The Government claims that the key to the success of this Budget, and the most magnificent thing that has been done for many, many years, is the elimination of succession duties. I believe that the elimination of succession duties will do nothing to overcome the problems in our community. It will certainly do none of the things that are claimed in this Budget. The figure mentioned is, in any case, money that would have been collected from last year. The removal of succession duties means that in future Budgets money will have to come from other areas to make up for what is now being lost. I suggest that future Budgets will introduce a system which will rob the poor in order to help the rich. That is all that the elimination of succession duties amounts to.

In actual fact, this move will rob the poor people of this State of the right to a home and a respectable and dignified family life, which is more than anything what we are looking for. It is not much comfort to an unemployed person to know that his family can divide up his possessions if he dies. I do not know if it has been said yet in this Chamber, but I will go on record now as saying that I am opposed to the complete abolition of succession duties and I will oppose the legislation when it comes before the Assembly.

One of the freedoms for which early Australians fought was freedom from the domination of wealthy landowners. They had seen what had happened in other lands. Indeed, it is still seen today in other countries. There are still wealthy landowners in England, Ireland, Scotland and Wales. It is quite obvious that Government members are not students of the history of either this nation or the world. If they were, they would see the trap into which they are falling through the elimination of succession duties.

As I mentioned before, in England, Ireland, Scotland and Wales—the nations from which many of our forebears came—serfdom and wealthy landlords were rife in the countryside. A few wealthy overlords—barons and others—owned all the land and ownership was passed on from one to another by right of succession. Landholdings increased in a similar way. The early Australians did not want to see that happen in this country. One has only to read of the suppression

of the Scots and the Irish in the early days over land rights to see why they came to Australia. Many of them came here in chains, and they threw off the shackles of slavery and enjoyed freedom. They wanted to ensure that the nation they were assisting to build stayed free.

The legislation that is proposed will not help the poor or even the affluent. It will help only the very affluent in our community—the Shylocks that I mentioned earlier, the wealthy money-lenders, the dynasty-makers and the wealthy aristocracy. These are the people it will assist; they are the ones who will benefit by its introduction.

Again I say that one has only to look at the history of other lands to see what can happen. That history could become very real in Australia if we follow the proposed legislation to its ultimate conclusion. History also shows that the only way in which land-ownership by a few is eventually overcome is either by revolution or by civil war. The history of France, Russia and the United States of America shows what happened in those countries. There is nothing new in the world, and I suggest that in many respects cycles are being repeated. If people cannot read history and learn to avoid the mistakes that have been made in the past, one really cannot force them to do so. One must try to lead them to do the right thing.

No-one wants to see civil war or revolution in Australia. Whether we are Left or Right, Labor, Liberal or National Party, we do not want to see that. I am charitable enough to say that on behalf of every honourable member in this Chamber. But if we do not want to see that in future, we must avoid making mistakes that will inevitably lead us down the pathway towards it.

The amazing thing is that succession duty is being abolished by a so-called Christian Government. I know that would not be the desire of the Christ whom I endeavour to follow. As we see, Mr. Miller, pressure is coming from the National Party and from many other directions, and this is based on greed and selfishness. They were never taught by Christ—that is for sure.

In many respects the story of what led to this pressure has not been told, and again I go on record as saying that the pressure which led to the adoption of this policy, first by the National Party, is the result of the leaseholding policy that has been followed by Queensland Governments for the last 10 or 15 years. Land that had been leased for a specific purpose was passed down through the generations without any real problems. When it was made freehold, it became valuable. As you will recall, Mr. Miller, there was a big boom in the beef industry, and many landholders—family landholders among them, too—sold their land at high prices. Other people became involved and valuations went sky-high. Then the bottom fell out of the beef market, but in most cases the valuations on land still stand.

I would be the first to admit that there is a problem. Many people with major landholdings find that problems arise when a death occurs in the family. They face real difficulties because of the high valuation of the land and the lack of buyers. However, I think that there are ways of overcoming the problem other than by following the line now proposed. Even the Treasurer admitted in his Financial Statement that the proposed legislation will encourage more investment in real estate in Queensland. Real estate developers will come here. Prices on the Gold Coast have already been boosted because people have been encouraged to go there by the abolition of death duties from early in 1977. We are already seeing what is going to happen. The abolition of succession duties is not really going to bring industry to this State; it is only going to bring dynasty-makers. We heard the honourable member for Cunningham talking about companies moving on. That is perfectly true. Companies controlled by the wealthy will be able to control all land developments in this State in the future. That is where the real problem lies.

This lobbying has come from certain sections in the Chamber. I am not saying that it has come from all honourable members but it has come from certain sections of the National Party. We realise the strength of that lobby when we see in the Budget the concessions granted to the beef and grain industries. I believe they are worthwhile concessions, but if we are going to consider primary industry we have to consider it across the whole spectrum. The honourable member for Landsborough explained the problems that this is going to bring to the citrus industry. I know that the pineapple farmers in the Yeppoon area are going to be very much disadvantaged. What about the sugar industry? No such concessions are being granted to that industry. I know all honourable members representing sugar producing electorates are very concerned about the disastrous drop in the last few months in world sugar prices, and the fact that the industry is going to become more susceptible to a low-price factor in next year's sugar pricing. Primary industry must be looked at right across the spectrum and we must not merely give concessions to selected industries. That is one of the problems I see arising as a result of this Budget.

There are a few further points that I am concerned about. One of them arose again this morning because of the publication in the Press of the population increases in various local authority areas as indicated by the census. From the article in "The Courier-Mail" it would appear that Mackay is one of the poorest cities in the State in terms of population increase. It was reported that Mackay's population increased from 19,148 in 1971 to 20,224. I point out that that figure relates to the restricted local authority area of the city of Mackay—about seven

square miles of the urban area. The whole of the urban area of Mackay would cover far more than twice that area.

In "The Daily Mercury" the figures are given for the Pioneer Shire. They indicate that, with a growth rate of 3.6 per cent, that shire is one of the fastest-growing areas in Queensland. People who do not live in Mackay who read those figures would not know that the major growth of urban Mackay is reflected in that Pioneer Shire figure. The honourable member for Mirani is well aware that much of it is in his area, but he would accept that it is part of the community. My electorate takes in not only the city of Mackay but also the urban area of North Mackay.

There are 35,000 or more people in my electorate, yet population statistics show that Mackay has only 20,000 people. They are a deterrent to investment in the area; people are discouraged from coming to it because they think it is only a small place. This is brought about by the anomalous situation with local government boundaries in Queensland. I know that all members representing provincial cities—particularly those representing Cairns, Townsville and the Gold Coast—would fully agree with me. Perhaps even the Rockhampton members are starting to become concerned because of the Gracemere development. The honourable members for Bundaberg and Maryborough would be similarly concerned.

The time is long overdue for a revision of local government boundaries. We have to become realistic and live with the world in this day and age. We look at our own State electorates every three or six years, and every nine years we have a redistribution because of increases in population and other factors. The Commonwealth does the same and has a variation of electorates. Yet local authority boundaries in Queensland have not been looked at on a full and proper basis for 60 years. In 1928 a royal commission into local authority boundaries was held, and since that time some local authorities have amalgamated. The present situation is crazy. The people are the ones who are suffering. The person on the shire council who is representing the people is certainly not suffering. He is there as the representative of the people; he is certainly not king of his own little domain.

Mr. Jensen: They think they are.

Mr. CASEY: That may be so, but the shire councillor is there to represent the people, and the people are the ones who are seriously affected by the present anomaly in local authority boundaries.

As I say, Mackay's population would presently be approximately 37,000 to 38,000, or equivalent to that of Redcliffe, yet it is shown here as being equal to that of Maryborough, which has only a small population. This anomaly must be corrected.

I express my disappointment at the fact that the Financial Statement fails to indicate any steps to alleviate the plight of certain bus proprietors. Last year we introduced legislation that allowed certain things to happen. At the time I said that the subsidies paid to bus proprietors for the carriage of pensioners were worked out on a wrong basis and that they should be given as a direct subsidy instead of one based on the number of persons using bus services. Whereas the figure given was 3 per cent or 6 per cent, in many areas, as many as 20 per cent or even 50 per cent of persons using the services are pensioners. The bus proprietors are placed at a serious disadvantage by this legislation and some are suffering severe financial hardship. Furthermore, delays occur in the processing of subsidy returns by the Transport Department.

The Financial Statement provides for an increase in school transport fees, but here, too, anomalies occur. A private transport operator who wants to take his own child on the road receives something like a 35 per cent increase, whereas a school bus service is given an increase of only 15 per cent. Why this anomaly?

Finally, I raise the matter of the proposal to establish in Queensland a factory to manufacture paper pulp from bagasse, the feedstock of the sugar industry. For a number of years this Government has been negotiating with W. R. Grace & Co. of New York. I pay tribute to that company for the work that it has done and for the valuable assistance that it has given to the Queensland Department of Industrial Development in relation to this proposal. It has sent to Queensland officers to address seminars, which I have attended. But no progress is being made. We have been told that this is because since 1974, when certain cut-backs were made, the demand from Japan and other countries for paper pulp has fallen. Yet from a recent issue of a world trade news publication I learned that in Paraguay the British firm of Bowater, in conjunction with a Japanese company, has invested \$50,000,000 in a cellulose and paper pulp plant using bagasse and that the pulp will be sent to Japan. Paraguay has obtained this benefit at the expense of Queensland, simply because we were dealing only with the one company.

I can remember—in 1971, I think it was,—when a big seminar on the manufacture of paper pulp from bagasse was held in Mackay. Companies from several countries throughout the world sent representatives along just to hear what was going on. Some certainly were not paper or pulp manufacturers themselves, but a number were interested in the process and knew what was going on in that field. I think it is high time that we entered into negotiations with some of the companies in the world that are quite capable of giving us

the expertise we need to develop a pulping industry in Australia based on the use of bagasse from sugar mills.

Much has been said about the problem of replacing the feedstock for our sugar mills. I do not see this as a great problem in the long term. Perhaps it is a problem in the short term, but I think it provides an opportunity for the sugar industry itself to get involved with a company in the development of this process. That is one way in which it could be done.

This year, when we are having a record crop and record extraction by our sugar mills, thousands of tonnes of bagasse are being dumped on farms and being ploughed back in. It is used as a fertiliser, although it is not a very good one. However, the material puts back some content into the soil and it is used to help make wet lands more friable. Although bagasse is now being used in that way, it could be processed and made into pulp. That would open up an opportunity for a further industry in Australia, it could offer further employment for our Australians, and it could make further technical expertise available to our young Australians who are studying chemical engineering and other specialties and who have no hope or prospect of getting a job in their chosen fields when they complete their courses. I would like to see the Queensland Government take some action in this matter.

Mr. ROW (Hinchinbrook) (5.52 p.m.): In joining this debate I compliment the Honourable W. E. Knox on his elevation to the position of Treasurer of the State. I also pay tribute to his predecessor in office (Sir Gordon Chalk), who held the reins of the Treasury for a very long period. During it he proved himself to be a solid and reliable Queenslander and to have the interests of Queensland at heart. I am sure that his successor in office will be equally faithful to the State and will serve his term as Treasurer in a similar manner. I have always admired him when he has held other portfolios. He has been very co-operative to all back-benchers; I am sure that no-one would question that. I believe that his proven ability as a Minister has indicated how well qualified he is to take over the reins of the Treasury.

I was a little disappointed to read in the Press recently that the present Treasurer has received some criticism from probably an unexpected source. However, I believe that such an event was predictable in the light of the recent political events in this country. The people of Queensland were so shaken by the effects of the Whitlam regime in Canberra during a period of rapid socialism that was tending to overrun the country that they have become hypersensitive in political affairs and particularly to politicians. I sincerely hope that this little disturbance in the political ranks will soon pass and that the Treasurer's administration

will produce stability that will do much to quell the apparent sensitivity that people have these days towards all things political.

I suggest that all members of this Parliament take a fairly long look at the political situation and particularly at practising politicians and their relationship with the rank-and-file members of their parties.

Mr. Marginson: Your party has held them down for years.

Mr. ROW: Politicians should try to steer clear of any phobia that seems to have resulted from political problems that have arisen from a source beyond the control of this Government and from some philosophies foreign to Australians.

Opposition Members interjected.

Mr. ROW: It is time that we took cognisance of the position. Opposition members who are interjecting should take stock of their position in the political climate in this State because they, like Government members, have a responsibility to the people of this State. This is a matter for another arena at another time. Probably I shall comment on it on a more appropriate occasion.

As to the Budget, I believe the Treasurer has done a good job in a climate of restraint. Certainly he has brought down a very restrained Budget which could by no means be described as dynamic. It is a very genuine attempt to meet the present situation.

I was interested in the remarks of the honourable member for Mackay. He started off very well by talking about the inflationary trend and about people going further into the never-never. This is of the very essence of the reason for the restrained atmosphere in which we find the Budget being debated. How long can we allow people to go further into the never-never in a state of inflation? They will reach the stage where they have no way out. The only way out is the course we have adopted in following the recommendations, the policies and the philosophies of the present Federal Government and producing some kind of restraint at Government level. This of course must feed back to the community and eventually it will benefit because the indebtedness of people must decrease with restraint in expenditure.

On the other hand we want some encouragement for the private sector to invest with confidence in what really matters and not in an inflationary manner. There are signs of an upturn in the economy, particularly in Queensland. Fortunately, as the Treasurer pointed out in the Budget, Queensland has always had fairly dynamic and steady expansion and financial stability. It is one of the States that have been fortunate in that respect. This is in no small way due to the policy of the coalition Government which has held the reins of government for so many years. It is obvious, judging by the results of the last State election, that the

people of Queensland have great confidence in this Government and will continue to have that confidence.

The Budget contains some very pleasing aspects. Some of the reductions in State taxes are very acceptable, particularly the increase in the level of exemption for the payment of pay-roll tax. This will bolster the confidence, particularly of small businesses, which, after all, are the bases of most of our big business enterprises in Queensland. Most of them started in a comparatively small way and built up from a pioneering type of industry.

Provision is made also for a reduction in road transport fees and the elimination of death duties. I have to agree to some extent with the comment of the honourable member for Mackay on the history of the inauguration of death duties. I believe that it was a measure taken to restrain the accretion of large empires by individuals during the development of this State. I am surprised that more acknowledgement to the philosophy behind this tax has not been given by the Opposition, who so frequently criticise the policies of past Governments.

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

Mr. ROW: Before the recess for dinner I was commenting on the remarks of the honourable member for Mackay on certain aspects of inflationary trends in the community. I was also interested in his statement that the Mackay sugar industry interests have been canvassing for a long time the prospects of establishing a by-products factory in the area using cane fibre. I have to agree that the establishment of such a plant would certainly be a wonderful adjunct to the sugar industry operations in Queensland. I have also to agree that similar enterprises are successful in other countries. I think the honourable member for Mackay has overlooked the fact that these enterprises have been successful in areas of low-cost production, because of low wages and other concessions that industry enjoys there and which the sugar industry in this State does not enjoy.

The honourable member referred, of course, to the unreliability of alternative fuels for sugar mills. It is probably not realised by all members in the Chamber that sugar mills rely almost entirely on the fibre of the sugar-cane as the fuel source for the generation of energy. The cane fibre is returned to the furnaces and there burnt. When one considers the prospects of the establishment of a by-products industry, the first requirement is the treatment and storage of this cane fibre and the provision of alternative fuels.

In a State such as Queensland—I was going to say in a country such as Australia, which is just as appropriate—the production costs of alternative fuels and the unreliability of trade unions that seem to have control of industry in this country today certainly

put a damper on any prospect of the development of a by-products industry as contemplated. I think it is a deplorable state of affairs when this country has to suffer these indignities and disadvantages to industry purely through the actions of trade unions that are certainly not very far-sighted when it comes to the development and maintenance of industry in this country. I am surprised that the honourable member for Mackay has chosen to overlook these factors because of some allegations of political affiliations of his being an embarrassment to him should he mention these particular aspects.

One of the aspects of the Budget which give me cause for concern and on which I would like to comment is the 15 per cent increase in rail freights. The 40 per cent increase in rail freights last year was rather a blow to all those areas of Queensland which depend on the railways not only for supplies but also for the movement of their products. This year's increase is probably inevitable as I do not dispute the fact that the railways ran at a deficit again and that the Treasurer was hard pressed to find some means of alleviating the heavy drain on revenue created by this. I still feel that the real effect of this particular increase will be felt by the most disadvantaged in the State, and those are the people in the more remote areas. Not only do they suffer by the increased cost of living through the increased charges in transportation on the goods which they consume, but they also suffer the disadvantage in marketing. One of the most affected areas is in my own electorate, and I refer to the fruit growers, particularly the banana growers in the Tully and Innisfail regions.

Mr. K. J. Hooper: Does that mean you are suffering from bunchy-top?

The TEMPORARY CHAIRMAN (Mr. Miller): Order!

Mr. ROW: Not to the extent that the honourable member for Archerfield is, as I am sure everyone will recognise.

The fact is, of course, that these industries have to market their fruit not only throughout Queensland but as far afield as South Australia, and probably even farther, and by the time they cope with increases in Queensland rail freights and then have to face the prospect of deterioration and quality disadvantages at the final point of sale they find it almost impossible to deal with the situation. I feel very strongly about the loss suffered by the Railway Department.

Dr. Scott-Young: They put the small-croppers out of business.

Mr. ROW: That is quite right. I have to agree with the honourable member for Townsville that they will put the small-cropper out of business. I am not blaming the Treasurer for this directly, but I do feel that if one has a look at the railway system in Queensland one has to admit that there

are a lot of discrepancies in its *modus operandi*. It has not improved to my recollection, except in some limited cases where improvements have been made by large mining concerns.

A lot of reference was made earlier in this debate to the contribution of the minerals industry to the railways, and this is certainly very true. Large mineral concerns throughout the State have built new railway lines and complexes. They are certainly showing a profit, but I do not see why they should be expected to carry the whole of the burden of the railways deficit, particularly when many of these mining companies have contractual commitments overseas which are not being met, once again owing to the action of the trade unions in this State, which interfere with production to such an extent that I very much doubt whether in the future these large mining companies will have sufficient reserves to withstand the vicissitudes of industrial disruption. I say this even though they might be showing substantial profits on paper. The real issue is how long they can sustain these profits if the industrial situation in this State does not improve. If it does not, they are likely to lose their contracts to more efficient producing countries and this is something the trade unions in this country should wake up to before it is too late.

Like the honourable member for Maryborough, I feel that the Railway Department needs to undergo a very close internal scrutiny. I do not want to be unduly critical or point the finger at anyone in particular. I realise that in many respects the Railway Department has some very able and willing people in its employ, and I refer particularly to the people at the grass-roots level. I am very concerned about the people in the railways who do all the spade work, the station-masters of the small country railway stations, the goods clerks and the fettlers who have to put up with conditions that are certainly below the standard that is expected by the average person living in this State today. They have to put up with poor accommodation and poor facilities. I feel that some of the administrative decisions made in the upper echelons of the Railway Department, particularly at divisional level, are long overdue for some very close scrutiny.

I am very much inclined to think that the Commissioner for Railways and the Minister should consider closely having an independent study of the railways carried out by a firm or group of experts skilled in investigations of that type. They might then receive recommendations as to what should be done to boost the railways.

Let me take the passenger services as an example. I have had many disheartening experiences on Queensland passenger trains, and I am sure that the Minister for Transport will confirm that on one occasion I invited him to participate in an incident

which convinced him that the catering service on passenger trains is far below standard.

Mr. Frawley: I disagree with you. The griddle car on the "Sunlander" is pretty good.

Mr. ROW: The honourable member might have been lucky, but one can be unlucky, too. I cannot see how patronage of the railways by the general public can be improved unless some means can be found to make them more attractive and efficient and to provide a speedier service.

Mr. Casey: Hear, hear!

Mr. ROW: The honourable member for Mackay agrees with me. He does not agree with me on all matters, but on this occasion he does. Later in the debate I may say something on which he will not agree with me.

Facilities for handling goods are very poor in some instances and at a number of railway stations in Queensland goods clerks are expected to work in confined and restricted spaces. Manual cranes that will take a man's arm off if he relaxes are still used. There are no covered areas for loading fruit and other perishable products. They sit out in the hot sun at the point of embarkation and begin to perish and their value has depreciated by the time they reach the market. Things such as these are forcing the railway system into a situation in which it is virtually non-competitive.

Mr. Hartwig: They ought to sell it to private enterprise.

Mr. ROW: Maybe a bit of private enterprise would not do any harm. Without wishing to criticise the Minister for Transport, I suggest that he should pay some attention to these matters.

Mr. Marginson: Have you mentioned them to the Minister for Transport?

Mr. ROW: I think that the honourable member for Wolston would realise that his question is something of a Dorothy Dixier, and I do not intend to answer it directly. He knows very well that these matters have been mentioned before.

There is also the question of competition with other transport services. I was rather surprised to see in the Financial Statement the Treasurer's comment that, by ensuring that the 15 per cent increase in rail freights would not apply at this stage to grain traffic, he hoped that this traffic would be retained by the railways. I cannot help wondering whether that is not an admission that in other aspects of its operations the Railway Department has reached a stage of diminishing returns and that the Treasurer is aware that the railways are going to lose business when freight rates are increased. If that is a fact, I think there will be further diminishing returns unless action is taken to remedy the situation.

The honourable member for Mackay referred to the sugar industry and to the fact that it did not receive any freight concessions although it patronised the railways heavily.

Mr. Frawley: What about the fruit growers?

Mr. ROW: Some fruit growers received concessions in last year's Budget when freight rates were increased by 40 per cent. I must be fair and say that some industries did not feel the full impact of the previous freight increase. I suppose it is still open to them to negotiate. It is reasonable that railway freight rates should be subject to negotiation by people who can do a deal with the railways. Of course, it does create a little animosity among those who cannot negotiate. I feel that the whole railway situation needs to be thoroughly overhauled.

It has been said that those areas of railway operations that are not paying should be made to stand on their own feet. It is suggested that increased charges should be levied in those areas where profitability needs to be increased. But coupled with that contention it must be understood that people cannot be turned away from the railways, particularly in the metropolitan area, where the railways are struggling against other forms of transport. In order to attract people back to the suburban railway system, fares must be kept down. Of course, it is very annoying to people in country areas to see that kind of thing happening. The losses in the southern section are levied against people who can least afford to pay higher rates to make the service attractive in the areas of greater population. If the Government is going to electrify the metropolitan railway system, it should act quickly and bring the system up to the standard where it can attract commuters away from the use of private motor vehicles. If it is feasible to electrify and modernise the metropolitan section, I cannot see why that cannot be done in other parts of the railway system.

I mentioned that certain aspects of the Budget were very pleasing, for example, the reduction in certain State taxes. I am sure that the private sector will respond by showing some confidence in investment. Already there are signs of a return to confidence in the building industry in some parts of the State. It is said that in the metropolitan area the building industry is in the doldrums, but certainly it is showing improvement in other parts of the State.

I am disappointed that the general allocations approved by the Australian Loan Council were so limited, and will actually result in some contradiction of activities based on loan moneys. Although this is a philosophy which we accept because of the inflationary trends it is designed to cure, I feel that our Federal colleagues will have to keep a very close watch on the result of their curtailment of funds to ensure that, should the situation require a quick change, they will be ready to meet it.

I am disappointed that there has not been a reinstatement of certain concessions to people in remote areas, such as petrol price equalisation and airline subsidies. Country people are becoming very impatient, and it is up to the State Government to press for the reinstatement of those concessions. I know that the Premier is pressing for these matters to be dealt with by the Federal Government.

I am interested to see that there has been a considerable increase in the allocation for education. This has always been a very important factor in our State development. However, I am disappointed at the attitude that school-teachers are taking, or more particularly the attitude of the leaders of the Queensland Teachers' Union. I recently had a brush with the union in my electorate, which was one of the electorates chosen early in the piece for a teachers' strike. I felt it was my duty to come out and publicly denounce the action. I was surprised at how many teachers were not aware of the insidious, Left-wing political influence that has crept into the union, an influence that will in fact destroy the decency of the teaching profession, which will become nothing more than another pressure group to be abhorred by decent people.

Mr. Powell: Members of the Queensland Teachers' Union have not been told the full story by their union executive.

Mr. ROW: I realise that. I could go even further and state that some of the meetings and ballots were rigged in that teachers who were known to be against taking strike action were not invited to attend. Nasty things are going on. I sincerely hope that the Minister for Education and Cultural Activities does not back down on this teacher drug issue.

I am pleased to see provision made for an extension of the drainage programme in the State's northern wet belt. Last year I was pleased to be involved in a deputation to the Treasurer and to the Minister for Water Resources, one that was successful in gaining the sum of \$71,000 for an investigation into the problems confronting the wet belt of North Queensland.

This year we had hoped that an equally large sum would be made available; nevertheless I express my gratitude to the Treasurer for giving consideration to this project to the extent of \$40,000. I hope that the expenditure of that sum will convince the Government of the need to make further funds available to the programme.

Besides contending with a lack of finance, the wet belt suffers the problem of inadequate liaison between the various authorities that are involved in developmental projects. I have in mind particularly the Department of Main Roads, the Irrigation and Water Supply Commission, the river trusts and shire councils. Far too many projects are undertaken without sufficient consideration being given to the end result. Alteration to stream flow, flooding and so on have

far-reaching effects, and I would counsel the Government to pay closer attention to liaison between the developmental instrumentalities so that money can be saved by avoiding situations that call for the unnecessary expenditure of funds.

I congratulate the Treasurer on his reasonable and sensible Budget. I trust that he will be always vigilant as well as flexible enough to make necessary adjustments to the finances of this State—adjustments that will bring the harmony and development we look forward to together with a continuation of this coalition Government.

Mr. BERTONI (Mt. Isa) (7.38 p.m.): In speaking to the Budget, I congratulate the new Treasurer, the Honourable Bill Knox, on bringing down a Budget whose general mood is indeed encouraging. Once again our Government is taking the lead in conducting a determined fight for the freedom of the Australian people. In saying that, I mean freedom from overtaxation. The mood of the Budget is one of fighting the burden of taxation and of protecting the freedom of the people—the freedom to spend more money and the freedom to spend it as they want to spend it instead of as the Federal Government wants them to spend it.

It is interesting to note that the Governments of Western Australia, New South Wales and Victoria are following our lead, particularly in relation to death duties. They realise that if they do not follow suit there will be a migration of business to our State. The forward thinking of our State Government is deeply appreciated.

No doubt the Financial Statement contains certain unpalatable features. My electorate, for example, is sadly disappointed at yet another increase in rail freights. This burden falls very heavily on people in country areas. Last year, after the 40 per cent increase in rail freights, I said that we in Mt. Isa were at the end of the line. Being at the end of the line, we suffer the greatest burden from these increases. Once again we are at the end of the line. The 15 per cent increase in rail freights is only the beginning. In the outlying areas sales tax is payable on the 15 per cent increase in rail freights, so in real terms the increase is 17½ per cent.

We have discussed this matter a number of times. We have asked the Federal Government to consider alleviating the effect of paying sales tax on freight. As the Premier mentioned, the Government in Canberra, irrespective of what party is in power, just does not want to listen to our argument on this matter. That attitude is completely unfair. Sales tax on freight is iniquitous and our Governments should move against that type of taxation, if we are to actively pursue our policy on decentralisation.

I wish to dwell on the matter of rail freights. I cannot understand the Government's thinking on some of the issues. For example, people at Cloncurry do not seem

to be able to get railway truck-load rates to their town. It seems that the Government classifies areas into different groups and allows a railway truck-load rate for Mt. Isa but not for Cloncurry. Even though Cloncurry is some 100-odd rail miles from Mt. Isa, it is cheaper to send freight from Brisbane to Mt. Isa than it is from Brisbane to Cloncurry. I just cannot understand that aspect of Government policy.

Let me give an example of the landed cost of products from Brisbane to Cloncurry. One grocery shop purchases truck-loads of goods, yet the owner pays in the vicinity of \$115.70 a tonne to land groceries there. Admittedly there is included in that some \$15 for the cost of transport to the railhead in Brisbane and from the railhead at the other end. However, beer can be landed in Cloncurry for \$48.88 per tonne. I just cannot understand that at all. Sugar can be landed in Cloncurry at \$50.25 a tonne. But consumer items such as groceries are carried at a much higher rate. I believe that our Government should be seriously looking at such burdens being placed on the people in our areas.

This afternoon the honourable member for Landsborough asked where we would be without our mines to bolster our finances.

Mr. Moore: Balance of payments.

Mr. BERTONI: I agree with the honourable member.

The honourable member for Rockhampton said that mining companies are capable of paying increases in freight rates. If that is the case, this Government should consider reducing the freight rates on consumer items railed into mining areas.

If there is to be an over-all 15 per cent increase in rail freights, I do not think that it should be extended across the board into consumer items. Some policy of adjustment has to be implemented. If freight rates are to be increased and the mining industry—or some other industry, for that matter—can bear that burden, then the rates should be set so that the people living furthest from the capital cities are catered for at a reduced rate. I think it is fair to say that the people in my area and, I believe, in the whole of the western areas are not very pleased with the increase in freight rates.

I can understand the Government's thinking that freight rates had to be increased because it was better to increase them a little every year than not to increase them for some years and then increase them greatly. I agree with this approach because, when I was mayor of Mt. Isa, I kept the rates down for one period of two years and then had to increase them by up to 47 per cent. As a result there was tremendous criticism. The people seemed to forget that the rates had been kept down for two years. When we had to increase the rates substantially we were criticised. I can understand the Government's point of view in increasing freight rates every year to save a tremendous

increase being applied in one year. But as I said before, there should be some type of relief in respect of consumer items coming into my area.

In regard to the road permit fees—I have spoken to the road hauliers in my area and they are indeed pleased. Judging by the benefits and concessions contained in it, it is a freedom Budget. It grants concessions in quite a number of areas and contains only a few increases. The Government has promised to reduce road permit fees over a three-year period. Even at this stage the cost of some freight to Mt. Isa will be reduced by \$6 a tonne. Once again we will have to start shifting the burden of freighting goods into our area onto road transport. The sealing of the Flinders Highway is due for completion at the end of the year and this again will help the shift to road transport.

If we shift to road transport we will again have the situation I referred to concerning Cloncurry grocery items. Groceries can be railed to Cloncurry at \$80 a tonne. The gentleman I spoke about normally pays \$70,000 a year to the Railway Department. He will now transfer to road haulage and the Railway Department will lose a client. This will increase the debit side of the operations of the Railway Department. We have estimated that it will once again lose \$100,000,000. If this shift continues, the debit side of the operations of the Railway Department will increase further. Then we would have to take one of three courses: increase rail freights in order to balance the Budget, do the opposite and slowly but surely reduce the number of employees, or, as has been indicated by other honourable members, streamline the operations of the Railway Department so that it can compete.

The abolition of death duty and gift duty is welcome in my area. I do not think that most people will appreciate just what this Government has done until the time arrives. A number of people have come to me about this iniquitous tax. Believe it or not they have been in very dire financial straits. In a number of cases they have had to sell the home or other property to pay the tax. I do not think it really hits home until a person has been through this exercise.

When the Premier was up there last Thursday, an alderman asked him why we abolished death duties at a cost to the Government of some \$30,000,000 and increased rail freights. The alderman's argument was that death duties should not be abolished and that rail freights should be kept down. I quietly pointed out to him that he has not been through this exercise and was only talking through his hat. He does not realise that this abolition does not come into effect immediately. We are about nine months behind in picking up last year's death duties, so that this Budget is not really affected.

I must congratulate the Treasurer on lifting the pay-roll tax exemption. I am a member of the small businessmen's committee.

The other members of the committee, who have done a lot of work in this sphere, are the honourable member for Albert, the honourable member for Barron River, the honourable member for Townsville West and the honourable member for Coorooora. And I must not omit mentioning the honourable member for Isis.

An Honourable Member: The honourable member for Warrego.

Mr. BERTONI: The honourable member for Warrego. I was not quite sure; I did not come across him. These honourable members did travel around.

Mr. Jensen: What did they really do?

Mr. BERTONI: We travelled around the State and discussed the problems of the small businessmen.

Mr. Jensen was not with us that day. He was in other fields; he was in a sort of daze.

We got to understand the problems of the small businessman in different areas. The problems of the small businessman in Mt. Isa are different from those experienced by the businessman on the Tableland or in Townsville. One of the suggestions was that the pay-roll tax exemption should be increased to \$100,000 over the next year.

The TEMPORARY CHAIRMAN (Mr. Miller): Order! There is far too much audible conversation in the Chamber.

Mr. BERTONI: One of the other complaints we received, particularly in the Tableland area, concerned workers' compensation. Once again our Government has taken the right attitude and has decreased workers' compensation premium rates by 10 per cent. I think this will certainly allow the small businessman to expand.

Mt. Isa electorate is extremely sport-minded and we are extremely pleased that the Budget allocation has been increased by \$2,000,000 to \$4,400,000. I would like to reiterate that this Government should allow some type of concession to people who travel vast distances to compete in sport. Anybody who lives in the northern areas knows what I am talking about. I have seen teams from Townsville and Mackay come to Mt. Isa to compete in many types of sport.

No-one realises the amount of money that the sports people in Mt. Isa have to raise in order to compete against teams in Darwin, Townsville and other centres. I have mentioned Rugby League before, but there are other sports. I have known school teams to raise several thousand dollars by car-washing and other types of fund-raising solely to compete once in Darwin or Cairns. I have even known the hockey team to come down south. I think it is about time that this Government allocated money for travel expenses of sporting teams. I do not know

all the problems associated with its implementation, but the Government has to look at this particular area.

I have noticed from the Financial Statement that the mining industry will not receive much at all. I understand that the coal levy will be removed and that we will receive further increases in revenue as a result of the reduction of the coal levy by the Federal Government. I want to know exactly what our Government is doing for the small miners, the gougers, and the other hard-working operators. What concessions are we giving to them? What part do we play in order to keep this small area going? We recently increased rail freights by 15 per cent and gave virtually nothing back to the mining industry. And we certainly gave nothing back to the gouger. I think that our Government has to think seriously of some programme to help the small miners.

In the last month the chairman of Mount Isa Mines Holdings Limited, Sir James Foots, said that expansion of Mt. Isa would be contained in the immediate future. This of course places heavy responsibility on our Government to ensure that areas in the Mt. Isa-Cloncurry mineral fields are properly developed. I have written a letter to the Minister for Mines and Energy suggesting that he could probably give some tax-free concessions or some concessions for any new development that would help in our area, particularly in the mineral fields, and the phosphate fields. We should be giving concessions for the next five years to help them in getting their projects off the ground. I am still awaiting a reply from the Minister on that particular matter.

I think it is important that this Government do something to help expansion of the mining industry in our area. The latest figures show that the population of Mt. Isa increased by 35 persons from 1971 to 1976. If one looks at the graph, it shows a fluctuation and I realise that the downward trend was caused by the downturn in the economy recently, but at the moment we have only 35 more people than we did four or five years ago and so I think it is important that we look forward to further expansion in our area. I think it is important that the Lady Annie mine and the lead fields in the area receive incentives to go ahead and that some type of smelter be provided in Cloncurry to cater for the small miners to get them going again. I think the Government should try to help this area because at this stage I have my doubts about just how long these small towns like Cloncurry can survive.

While on the subject of mining, I point out that the outcome of the Mary Kathleen issue is still an unknown quantity, but there is no doubt in my mind that we have to mine uranium. We have given permission to the company operating Mary Kathleen to spend \$26,000,000 to open the mine and produce uranium and then we tell them to

store it and not sell it. I think that is the most ridiculous situation that anyone could imagine. I know the Fox report is due shortly and I sincerely hope that it is favourable. By the way, it deals mainly with mines of the type operated in the Northern Territory and not the Mary Kathleen type. I hope that common sense will prevail with both the Government and the unions and that production will be permitted to go ahead as was originally planned.

Mr. K. J. Hooper: Tell us something about three-cornered contests.

Mr. BERTONI: I do not think that is in the Budget.

The TEMPORARY CHAIRMAN (Mr. Miller): Order!

Mr. K. J. Hooper: You won't be here after the next one.

The TEMPORARY CHAIRMAN: Order!

Mr. BERTONI: I was pleased to see in the Budget that the Government plans to increase expenditure on education by 20.5 per cent to \$396,700,000. This will no doubt allow the opening next year of the second new high school in Mt. Isa at Kalkadoon and also allow the construction of a new primary school at Mornington Island. It should also allow the construction of a school for the deaf and dumb at Mt. Isa. But I am concerned that once again, even after my continuous pleas to the Minister for Education, the high-top at Cloncurry has not been provided for. I have mentioned before that the high-top at Cloncurry is essential if we are going to keep families in the area. If the Government does not take positive action, I know of at least 10 families who will be leaving Cloncurry next year because it has no high-top facilities for the education of their children. I think it is time that this Government looked very seriously at this question of the migration of country people to the city areas to enable their children to receive a better education.

I want to turn now to the area of health. The Budget provides for increased expenditure in this area of 21 per cent to a total of \$264,100,000. I know that in this Budget the Government is committed to building new hospitals, but once again I want to mention that two years ago the Mt. Isa Hospitals Board was given approval from the Government for a new block at our hospital to cater for future needs. After the plans had been approved they were shelved, and they still have not been proceeded with. The present hospital is some 15 years old. It has about 118 beds with about 37 standby beds.

The hospital is becoming overcrowded, particularly with the ancillary services that it provides. The physiotherapy room is in an old building that has been there for many years. The X-ray room is also overcrowded.

A person going there has to wait his turn, and it may take him hours to get into the hospital itself. When representatives of the Queensland Radium Institute and the Blood Bank visit Mt. Isa, they have to carry out their functions in the board room at the hospital.

The hospital has only one operating theatre for all the people of Mt. Isa, and it is used by both private and hospital doctors. Each doctor is allotted a time and has to wait his turn to use the theatre. If an emergency occurs, the doctor in the theatre has to move out immediately he finishes the operation that he is performing and allow the emergency operation to take place.

The new block is certainly overdue, and I hope that the Government will consider the matter seriously and allow an allocation to be made for it in the Budget next year. Its provision is absolutely essential. I understand that the Government plans to form regional hospitals boards in country centres—one at Mt. Isa, one at Longreach, and so forth—and specialists will be based at these centres and then travel to towns such as Cloncurry, Julia Creek, Burketown and Normanton. If these regional centres are to be established, it is essential that adequate room be made available and that ancillary services and up-to-date modern equipment are provided.

At this stage I must congratulate the Minister for Health, who next month will open a \$100,000 pathology laboratory at Mt. Isa. This is a great step forward. As a matter of fact, I am led to believe that the new pathology department will be one of the most modern in Queensland. It is part of the over-all building programme for the new block, and it is therefore imperative that the Government allocate funds next year for the building of the new hospital.

The establishment of community health centres is of great importance. At the moment no-one really seems to know whether community health centres are to function in my electorate, and this is causing much concern. I hope that the Minister will be able to give me more information on that subject later.

I notice that the Budget does not provide any allocations for new police stations but there is an allocation for additional staff, and that is very pleasing. Recently honourable members have seen a good deal of publicity about Mornington Island and the Aborigines there. There are only two policemen stationed at Burketown to cover the northern area, and a difficult situation arises if they have to deal with any trouble on, say, Mornington Island. An additional policeman should be stationed at Burketown, because when trouble occurs on one of the islands both policemen must go there to carry out their duties. They may be away three or four days quelling a disturbance, and during that time no policeman is in attendance at the Burketown Police Station. If more money is being allocated to enable the

staff of the Police Force to be increased, I think that two or three more men should be allocated to the Mt. Isa area.

When dealing with small businesses, I forgot to mention wine and spirit merchants. Their problems were raised quite a number of times during our investigations into small businesses in the North. It is disappointing to see that the reduction in liquor licence fees for wine and spirit merchants has not been made retrospective. The rate has been reduced from 15 per cent to 12 per cent. No doubt the Treasurer is to be congratulated on that, but unfortunately it will not save a lot of wine and spirit merchants. Many of them are having problems in paying that fee. They will have to close their doors or find some method of overcoming their problem. After the previous discussions various honourable members had with the former Treasurer, and the promises that were made, I should have thought that the reduction would have been retrospective to 1 July.

I am very pleased with the over-all provisions of the Budget. As was expected, there are a few bitter pills in the Budget for some to swallow, but over all it has been very fair to all Queenslanders. The mood is one of pushing vigorously for greater freedom for all Queenslanders, and this is surely a very healthy state of affairs.

Mr. JENSEN (Bundaberg) (8.7 p.m.): I have always believed that the debate on the Budget is a useless exercise. It has been a useless exercise in past years. Government members always congratulated the former Treasurer and he in turn thanked them and congratulated them on their shrewd and very wise speeches. On the other hand, Opposition members have always attacked certain parts of the Budget and pointed to certain deficiencies. Of course the former Treasurer would come back and cut each of them down in turn, without offering one word of praise for anything they said. That is why the Budget debate has always been a useless exercise. I have always thought, "Why should I speak to the Budget?" Even tonight I do not know why I rise to speak, but, when I make notes throughout the pages of the Financial Statement I think that I would like to have a little say about this and that. That is why I usually get up and have a short say. I do not rise tonight to upset the Treasurer but to bring to the Committee certain points of view of my own. I do not speak other people's minds; I say what I think. When I look through all the notes I have made, I realise that I could speak for 1½ hours.

At the outset let me say that the Treasurer made a profound statement right at the commencement of his Financial Statement. He said—

"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."

How profound! A little later he talked about the decade to 1973-74 when Queensland did progress from a period of rapid growth arising from mining and processing developments associated with our great mineral wealth. Those statements are very profound. But what has the Government done in the Budget to lift the economy?

I turn to another profound statement under the heading "Conclusion". The Treasurer said—

"This Budget, for reasons adequately explained, does not include an array of dramatic new initiatives."

It includes no initiatives whatsoever. The Treasurer said that. He continued—

"This would be neither possible nor appropriate in the financial and economic circumstances of these times."

I agree, but there are no initiatives. The Treasurer commences with a profound statement, but then there is nothing throughout the rest of his Financial Statement. The Financial Statement adopts a *laissez-faire* policy, one of "go nowhere".

In referring to new development projects, the Treasurer says—

"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 with the business community."

That is quite right. But what has the Treasurer done to engender confidence within the business community? Only one small thing; he has slightly eased pay-roll tax.

Australia will soon find itself in the position that Great Britain is in. We are living on borrowed prosperity. Anyone who does not realise that now will know it in five years' time. The Prime Minister of Great Britain has said that that country will be taken over very shortly either by the Left or by the Right and will be under a dictatorship. Australia is heading in the same direction. We live in a fool's paradise. The British people, after 10 years, have started to wake up to the fact that their nation is on a downward path. It is broke and has borrowed £3,000 million to try to stabilise the economy. Interest rates have risen to an exorbitant level. They are as high as 15 per cent on homes.

Earlier today the honourable member for Mackay stressed the need to place emphasis on home-building. Anyone with common sense knows that the home-building industry lifts productivity in many spheres. It does not, however, lift our export income. This nation needs export income. It cannot survive merely by building houses and manufacturing washing machines and other electrical appliances. It needs export income.

We must wake up to this fact before it is too late. The British Prime Minister attended a Labor Party conference and told the delegates where his Government stood. Someone in Australia must do the same.

In his Financial Statement the Treasurer goes on to say that indications are that the rate of inflation is being slowed. I do not think it is. I would have to see those indications before I could believe that. If the home-building industry is lifted too quickly, the rate of inflation certainly will not be slowed. As soon as there is an increase in production of items that do not improve the state of the economy, the rate of inflation quickens. We have to stop inflation.

This Government abolished death duties. The honourable member for Mt. Isa said that it is only correct that that should be done. But who said that it should be done in one fell swoop? The State is losing \$30,000,000 which could be injected into industry, into reducing freight rates, and so on. Some of the money could even be diverted from sport—more for sport is not needed. Sport is already given \$2,000,000, yet the allocation is to be increased to \$4,400,000. With \$2,000,000 industry could take on another 400 apprentices and pay each of them \$100 a week for 50 weeks of a year. We want industry in Queensland, not sport—certainly not the sport the Government has in mind. All it thinks about are the golf clubs and the bowls clubs, not the kids who play sport and could do with financial assistance. The pools could provide enough money to maintain sport. The golf clubs and bowls clubs could obtain their revenue from beer sales and illegal raffles.

Mr. Lindsay: That's rubbish.

Mr. JENSEN: It's not rubbish. The honourable member should read the documents. Money is not handed out to school-children or to anyone else to attend State championships.

Another \$2,000,000 could put on 400 apprentices. The amount we have lost through the abolition of death duties would have helped to revive business—but, no; there is not one thing in this Budget that does anything to revive business in this State of Queensland.

Mr. Elliott: What about pay-roll tax?

Mr. JENSEN: I have mentioned pay-roll tax. Perhaps the honourable member was not here before. He should go out again if he doesn't want to listen to me. The reduction in pay-roll tax is only a drop in the ocean. The exemption rate should have been jumped right up. Better still, the tax should have been wiped completely. It is the most iniquitous tax that has ever been introduced into any country. It is a tax on employing people. When this Government took it over, that tax was 2½ per cent and was worth \$35,000,000 to this State. As soon as they

took it over, they put it up to 3½ per cent. It was then worth about \$60,000,000 or \$80,000,000. It has now gone up to 5 per cent and returns \$190,000,000, even after the present budgetary relief has been given to small business. When this Government assumed responsibility for that tax in 1971 it was worth \$35,000,000. That has been increased to \$190,000,000. It is a cruel tax—one that has cruelled many a small business. It kills all initiative to put men on. There might be a bit of incentive now with the increase in the exemption rate, but it is not a great deal.

Mr. Frawley: You have to pay 3½ per cent of your salary to keep your endorsement.

Mr. JENSEN: No, I haven't.

The Honourable the Treasurer said—

"It has been quite obvious that, in the worst period of inflation, the major cause was the extremely rapid expansion in Commonwealth Government programs."

That was one cause, but it was not the major cause, and he ought to know it was not. The major cause was that wages overran productivity, and any economist could tell him that. Yet he said this was the major cause. I don't think he knows what he is talking about. Then he went on and he said—

The TEMPORARY CHAIRMAN (Mr. Row): Order! I ask the honourable member for Bundaberg to refer to the Honourable the Treasurer in the proper fashion.

Mr. JENSEN: I said "the Honourable the Treasurer".

Mr. Aikens: It's about time somebody pulled him up, too.

Mr. JENSEN: It's all right for you. You can pull yourself up.

The TEMPORARY CHAIRMAN: Order!

Mr. JENSEN: The Honourable the Treasurer then said—

"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"—

"every dollar"! But \$2,000,000 is going to sport hand-outs when we want productivity. Death duties are wiped—yet he says that every dollar saved will be going to capital works. I do not believe that. Let us get on to lifting this country up. We have enough sport in this country.

We then pass on to the section headed "The 1976-77 Budget Constraints". The Treasurer refers to some of the constraints. He says they are there because the Federal Government puts these constraints on him. Then the Treasurer complained that the

Federal Government said that it was not going to constrain the economy, that it was going to constrain what was given to the States. The States then had to make their own cuts in their Public Services. The Treasurer then goes on to list the cuts and to point out how serious they are.

Building costs increased during the year by some 19 per cent. Why did they increase by that amount? That was caused by inflation, yet we are containing inflation.

As the Treasurer ran through his Budget constraints, he mentioned drops in various allocations and complained about the Federal Government. However, there is only one way of getting better living standards, namely, by achieving increased productivity as well as revenue from exports, as I said before. There is no other way. It is no good the Treasurer complaining. Some of the payments are reduced by 22 per cent and others by 19 per cent. Although the Treasurer is complaining about that, he says that we have to contain inflation. He says that in one breath and then in the next complains because he is allowed to borrow only 18.6 per cent more than last year and the increase in capital funds is only 11.3 per cent. Another figure increased by 5 per cent. But they are still all higher than they were before. Even the councils are getting 18 per cent more. Yet we have this complaint instead of injecting into the industry something that could increase our productivity.

There has been talk of the drop in the number of Housing Commission houses built. The Treasurer could claim that there has been a 50 per cent increase since 1974. Not long ago the Housing Commission lent \$13,000 on a home. It rose to \$15,000 and, a couple of years later, it is \$23,000. That is what people have to borrow now to build a home.

Under the heading, "Burdens Upon Industry" the Treasurer said—

"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."

There he sits. He can tell us all about the burdens upon industry. Yet we can eliminate death duties in one smack instead of doing it gradually as was done during the past couple of years.

The Treasurer continued—

"The Budget therefore deliberately sets out to minimise burdens on industry."

I hope that he did set out to minimise burdens on industry. He set out to do so in one little section—pay-roll tax—which will affect some of the smaller businesses but not the bigger ones. The lift is from \$20,800 to \$24,000.

An Honourable Member interjected.

Mr. JENSEN: The honourable member does not know what he is talking about, because on page 7 the Treasurer said—

“The new minimum exemption level from 1st January next will be lifted from \$20,800 to \$24,000 . . .”

Subsequently the range will be lifted, in round figures, to from \$62,000 to \$88,000 and later on to from \$83,000 to \$112,000. But that is not the point.

The Treasurer points out what the Budget provides for salary and wage increases. Although the amount was \$71,600,000 last year, the estimate for this year is \$83,500,000. So he expects greater increases in salaries and wages. This country should have as much guts as New Zealand and America. Three years ago America pegged wages and prices and New Zealand has just done it. This country has let them run on and on and now is trying to contain inflation. This is impossible unless the Government does something constructive and something with a bit of guts. It should hold the country for 12 months so that we would know where we were going. But it cannot be done under the present system of State and Federal Governments.

A Government Member: The unions are screaming for more.

Mr. JENSEN: So is he. He is just the same. He is screaming all of the time. He is worse than any union. He is squealing for a rise all of the time.

On page 5 the Treasurer said—

“There will be no increases in State taxes other than in certain Liquor Licence Fees . . .”

He knows that that increase will help considerably. He provides for a small increase there because he knows that it will bring him in millions of dollars.

The Treasurer has provided some assistance in workers' compensation. The previous Treasurer increased the premiums and the present Treasurer intends to reduce them. He says that he will “reduce premium rates by 10 per cent and to restore merit bonuses . . .” That does help a little.

When this country is looking for productivity these things are not helping business at all. The Treasurer puts up one thing, the tax on liquor in hotels. Hotels employ the most people. Taverns do not have to employ the staff that hotels do. The hotels cop it every time. These are the places that employ labour.

Mr. Tenni: What about wine and spirit merchants? You must go round with your eyes closed.

Mr. JENSEN: Hotels employ people; wine and spirit merchants do not. They can employ a couple of people part time, or even on scab wages if they like. The rates on taverns and wine and spirit merchants

are reduced yet the hotels that employ labour are increased. It is not helping labour at all. They would put off another couple of staff if they had the chance.

Mr. Frawley: Are the hotels paying your 3 per cent levy to the Labor Party?

Mr. JENSEN: The only people who are paying that are the National Party.

The TEMPORARY CHAIRMAN (Mr. Row): Order!

Mr. JENSEN: I did notice the increases by the Treasurer in State Government assistance to student teachers and per-capita grants to non-Government schools. Practically all the increases are in the same ratio as our increase of 15 per cent, the increase in the basic wage. Right through you will find that this is 15 per cent except for the payment for conveyance of students by private vehicles, which is increased approximately 30 per cent.

Mr. Frawley: We have read that.

Mr. JENSEN: Why do you think it has gone up? You would not understand the percentages. Why do you think the Treasurer has increased that approximately 30 per cent and the rest by 15 per cent?

The TEMPORARY CHAIRMAN: Order! I would ask honourable members who interject to do so singly and not in groups.

Mr. JENSEN: I would reply to these interjections if I could hear any sensible interjections. I always reply to them as you know.

Mr. Tenni: What about the increased money to the Education Department?

Mr. JENSEN: I just turned over to that. The total allocation to the Education Department this year is \$396,670,000, or an increase of 20.5 per cent above the 1975-76 allocation. How is that going to help productivity? We give more to the Education Department every year, and we increase it another 20.5 per cent, and yet the inflation rate is only 15 per cent. Why did the Treasurer do this to industry? We talk about industry. I have had enough of this education. Let us get down to educating people to work.

Honourable Members: Hear, hear!

Mr. JENSEN: Let us get something done in this State. Let us get to the university students who march up the street and want money for nothing. Let some get to the trades colleges and come out as tradesmen. Let us get workers and not academics. We have had enough of academics. We have all the economists who advise the Treasuries in every State. If only I could find the Minister's statement that economists do not know where they are going! These are the people we are going to pay more for. These are the people who can't even agree on how to fix the economy. We are going to pay more on

education again. Why not hold some of these things if the State is in such dire straits, when our primary industries want so much assistance, and there is not much assistance? There is some assistance to certain sections of primary industry, but, as the honourable member for Mackay says, there are other sections. The sugar industry, too, is getting into dire straits because of the fall in the price of sugar.

Mr. Sullivan: Is that why Jimmy Blake wants endorsement for Bundaberg?

Mr. JENSEN: Yes; he might have to sell his farm to you.

Mr. Tenni: Why don't you get the Chairman to give you permission to include the Budget in your speech and hand it to him?

Mr. JENSEN: This debate is a debate on the Budget and on the Treasurer's Financial Statement. As I said before, all that most Government members can talk about when they take part in this debate are little things in their own electorates. They cannot understand the significance of the Budget to the people of Queensland or the people of Australia.

Mr. Knox: Will you tell us about the share market?

Mr. JENSEN: I can tell the Treasurer that the share market is at its lowest ever ebb and that is because of the actions of his Federal Government and his Government in this State. The share market has dropped because this State and this country are in dire straits. There is nothing in this Budget to lift the country's productivity, and nothing to improve the employment situation—not one thing. As I said, even the expenditure of only an extra \$2,000,000 would have provided employment for another 200 apprentices.

Mr. Knox: What would you recommend we buy now in the share market?

Mr. JENSEN: I think the Treasurer should go out and have a look at the share market and the economy and try to find out some way to lift business confidence, and then as the Treasurer of this State he might know how to change the allocation of some of the funds provided in the Budget to try to improve the State's productivity and remedy its unemployment. But I know he will not go out. I did have a note here to the effect that it was not necessary to inject another \$2,000,000 into sport when the country is suffering the way it is, but I will not go into that. It is very interesting to read the appendix to the Treasurer's Financial Statement which deals with the economic conditions affecting different industries. I doubt whether any Government members would bother to read it. All they want is a bit more for their hospital, some roads here and a school there. They are not concerned about the people of Queensland or the people of Australia. They will be concerned only when the revolution comes. Then they will be concerned!

In the Financial Statement the Treasurer said—

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

I like the definite statements the Treasurer makes with nothing to back them up. He continued—

“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.”

There will be little! This Budget gives them no heart. It gives them nothing at all to lift anything up. All the Government has done is looked after the rich graziers through the elimination of succession duties. It has done nothing to assist the manufacturing sector. It has not done very much to assist the primary producers. Freight rates have been increased—

Mr. Sullivan interjected.

Mr. JENSEN: The Minister is all right because the Government did not bother raising freight rates on wheat, other grains or cattle. But what about the fruit-growing industry and the complaints from that sector? What about the sugar industry?

Mr. Tenni: What about the effect of the 15 per cent freight rates on the sugar industry?

Mr. JENSEN: That is what I am saying. That is what I am talking to the Minister about. The Minister knows that that 15 per cent increase is going to affect certain primary industries and it is from the primary industries that we get most of our income—\$2,000 million a year. But the Government gives them nothing while we worry about making refrigerators or stoves down here in Brisbane.

A Government Member interjected.

Mr. JENSEN: We can always go back to candles when the electricity goes off. It does not worry me if the electricity goes off.

Mr. Tenni: All your talk about primary industries concerns me. Would you accept that the party you are about to leave has openly stated that the Department of Primary Industries is getting too much support from the Government? The Labor Party has said that. Do you agree with that?

Mr. JENSEN: No. Primary industries, together with mining, are the backbone of this country today. There is no doubt that it could not survive without them. People speak about support for primary industries. They do not understand that secondary

industries have received far more Government support than primary industries. If tariffs were removed, there would not be a car-manufacturing industry or any other manufacturing industry in Australia. The Japanese, Taiwanese or Communist Chinese could supply every manufactured item required in this country. Car-manufacturing plants, washing-machine factories and television factories would be wiped out tomorrow if tariff protection were removed.

Secondary industries are protected by tariffs, but the critics of primary industries do not seem to realise that. They do not seem to understand where Australia's productivity really comes from. I have listened to some idiots on my side of the Chamber who talk the same stupid rot. They say that the sugar industry is propped up. They do not seem to realise that, without Government support, sugar would be 30c or 40c a pound in their homes today. Sugar has always been one of the lowest-priced commodities. In 1965-66 the price of sugar dropped to \$26 a ton, which was the lowest price in the history of the industry since 1914, when sugar was sold at 3d. to 4d. a pound. Those who criticise support of the sugar industry have not the brains of nitwits. They live in the city and think that Australia prospers because of the manufacture of washing machines and motor-cars. That gives an indication of their knowledge.

Mr. Turner: If you really believe that, why are you one of the biggest knockers of rural industry?

Mr. JENSEN: A knocker of rural industry! What are you talking about? The only blokes I have knocked are farmers like you who come into this Chamber. Instead of getting out and working your farms, you come and sit on your lazy backsides here.

The TEMPORARY CHAIRMAN (Mr. Row): Order!

Mr. JENSEN: The honourable member is a good example, Mr. Row, of people with stations and farms who want death duties abolished so that they will not have to work and so that they can pass their properties on to their sons so that they will not have to work.

Mr. Sullivan: You would be the only member of the Opposition who would have a thought for primary producers, wouldn't you?

Mr. JENSEN: I am one of the only ones; I would not say the only one. I have worked in primary industry; I have slaved in it, too. I have had to use a hoe, dig drains, stack cordwood and load sugar.

Mr. McKechnie: What about Mr. Lawrie?

Mr. JENSEN: That has nothing to do with the Budget.

The TEMPORARY CHAIRMAN: Order! The Chair will have less cross-firing in the Chamber.

Mr. JENSEN: I think I have said enough. I could cut the Treasurer down a bit on a few more matters, but I will not do that. The Treasurer has tried to do what he can with the money he has got from the Commonwealth. I do not think he should have criticised the Commonwealth as much as he did. He knew quite well what he was going to get. He supported the Federal Government, as did every other Cabinet Minister, and said, "When the Fraser Government is elected, we will get plenty of money from Canberra." I heard the Minister for Local Government and Main Roads and the Minister for Works and Housing say in this Chamber how many millions of dollars they were going to get when the Whitlam Government was thrown out. They said there would be improved productivity and full employment. The position has not improved very much since the Fraser Government came to office.

The Treasurer hopes that the increase in inflation has slowed. I do not believe that it has slowed to any extent yet.

Mr. Lester: I think we could well find a place for you as our economic adviser.

Mr. JENSEN: The first thing I would do would be to get rid of you. You are a liability in this Chamber.

The TEMPORARY CHAIRMAN: Order!

Mr. JENSEN: They are paying the honourable member \$20,000 a year and he asks stupid questions of Ministers day after day. He is a liability to the Government, and it is about time they got rid of him.

I believe that the Treasurer could have done more to assist industry. He could either have injected more funds into secondary industry or done away with pay-roll tax virtually completely. As I said earlier, pay-roll tax is an iniquitous tax that penalises businesses for employing a man. I realise that the Treasurer is awake to that point. At last the Government has woken up. After levying pay-roll tax at 2½ per cent and then increasing it to 5 per cent, and increasing its revenue from \$35,000,000 to \$190,000,000, it has at least realised that it has been putting small businesses out of business. It is about time the Government realised it. That is the only good thing I can see in the Budget, and I have read through it all.

Admittedly the Government has increased the allocation for the Monduran Dam, and that will assist a little. The way the Government has been messing around with that scheme, it is about time the allocation was increased.

I will not delay the Committee any longer. As I had interjections to reply to, I have been on my feet longer than I expected.

Mr. TENNI (Barron River) (8.41 p.m.): I congratulate the Treasurer on the presentation of his first Budget, which over-all is a very good one. However, there are some

disappointing points in it which I must stress. Firstly, I refer to rail freights. I realise the Treasurer's problems. Rail freights had to increase, but from now on we must look more at the problems in the Railway Department itself. We cannot be constantly hitting the people of the country areas. We must look at what is causing the problems in the Railway Department. We say that we are a private-enterprise Government, so let us run the Railway Department as private enterprise would. We all know the problems in the Railway Department. We know that we have good workers and lousy workers, just as every other organisation has. Unless the management itself is prepared to clean up the problems, we will be increasing railway freights each and every year. I don't go along with that.

Let us consider some of the railway stations where business has dropped off over the years. We have seen some of them dwindle to one or two trains a day. Yet we hear about number takers in small towns who openly skite that they can do their work in an hour. They get sick and tired of reading books during the other seven hours of their duty. We have to make that type of person do other work. As men retire or resign from the department, we should not replace them. We cannot keep burdening the people in country areas with the cost of employing men who cannot be gainfully employed for the full day. As it is, we are creating bludgers. We have to give incentive to workers. We have to provide eight hours' work for eight hours' pay. That is what most of the decent, sensible Australians want. Let us help them. Let us look at the problems in the department. The problems are big ones.

I realise the union difficulties we have experienced in the Railway Department and everywhere else. I am sure that the sensible unionist wants to do eight hours' work for eight hours' pay. After all, sensible unionists represent 99 per cent of railway employees. The rat-bag union leaders who cause all the stirs and troubles make up the other 1 per cent. They are no longer being followed by the sensible unionists, who have woken up to the fact that they are costing themselves out of jobs.

What will the 15 per cent increase in railway freights do to the man who works in the Railway Department? It has again put his job on the line because the road transport boys are going to smarten themselves up more and more. With the 15 per cent increase in rail freights, there will be more competition from road transport. Keener competition from road transport will have a serious effect on rail freight and passenger services and the fellow in the Railway Department will be looking for a job. He himself has got to do something about it. He has to say to himself, "I am going to do eight hours' work for eight hours'

pay and if any of my mates are bludging I am not going to cover up for them any longer. I am going to look after my job." That is the way it has to be not only in the railways, but in all other departments as well.

The Railway Department is a typical example of an enterprise in which we see a 40 per cent increase in one year and a 15 per cent increase the next year. The Government has said that it will help the grain growers and the beef producers. It certainly does help them, but only in the transport of their grain and cattle to the markets in the city. It does not help them with the carriage of fertilisers, foodstuffs, hardware and everything they need on their properties. On those items they still have to pay the 15 per cent increase.

As the result of a lackadaisical attitude on the part of the Railway Department, the grain grower and the beef producer have had another nail put in their coffin. We cannot afford to let that happen. Common sense must prevail. The Railway Department must smarten itself up, and the only way it can do that is by having the men who control the general staff in the railways—not the little fellow who shunts trains or drives locomotives—wake up to themselves. They have to do their job and they have to make sure that the fellows under them do theirs. If they cannot do that, they should be dismissed so that someone who is prepared to control the department and turn it into a profit-making concern can be appointed in their place. At the moment it is running at a terrible loss.

I know that I harp on this point, but it is one of great importance. We have to bring about some economies in the transport of goods to our remote areas. The honourable member for Mt. Isa—who will be there for the next 20 years—expressed concern in his speech about this aspect, and I do not blame him. The people of Mt. Isa are paying unreal freight rates.

Mr. Jensen: The Liberal Party said its candidates are going to beat the both of you at the next election.

Mr. TENNI: I thought the honourable member for Bundaberg had brains, but having heard his speech I have come to the conclusion that he hasn't. With that comment he has convinced me that he is an absolute rat-bag.

Mr. Aikens: At least you have the endorsement of your party for the next election; he hasn't.

Mr. TENNI: Yes, and it was unanimous. No-one voted against me. Today I told the honourable member for Bundaberg that he's not a bad bloke and when he is kicked out of the Labor Party he could, with a little bit of training from the National Party, become a very good member. I even offered to pay his \$20.

Mr. K. J. Hooper: You ratted on the Labor Party.

Mr. TENNI: I got out of it because I could see the Red coming in. The honourable member for Archerfield hasn't the brains to get out. The Red is in there and he's still in it. He is as red as they come. Look at him; he's like a beetroot. He's an over-stuffed red man.

The TEMPORARY CHAIRMAN (Mr. Row): Order!

Mr. TENNI: If the Government is genuine in its desire to develop outlying areas, it should do something about its freight rates.

I want to raise one point with the Treasurer and ask him to pass it on to his fellow Ministers in the Cabinet room. This concerns the huge number of railway wagons that come back empty from outlying areas to the provincial towns and cities. Surely to goodness they could be made available at low freight rates to primary producers. They could be offered, for example, to the potato growers on the Atherton Tableland at low freight rates. They have to be brought back to the South, so why not bring them back full instead of empty? They could carry potatoes, which could be sold at a competitive price here on the southern markets.

Similarly, wagons could be offered for the transport of lime from Chillagoe and for the transport of the rich timber resources in the North. Offer the producers cheap freight rates so that they can send their products to southern markets.

The other day I saw pumpkins being shipped from Cairns to southern markets. While this goes on, hundreds of empty railway wagons come to the South from the Tableland. Their bearings and wheels are being worn out for nothing.

Let us make them available at sensible prices and thus get a little back for their use. I have lost count of the number of times I have seen thousands of tons of watermelons from the Atherton and Mareeba areas being sent south by ship. They are put in containers on semi-trailers in Mareeba and Atherton, sent to the Cairns wharf and shipped south. Why doesn't the Railway Department get off its backside and offer these fellows a sensible price and fill some of these empty wagons that are heading south? That is the way to effect some economies in the Railway Department. The Minister should straighten the staff out—straighten out the men who are supposed to involve themselves in maintaining the present volume of freight and increasing it—and then he will not have a 15 per cent increase in the rail freights next year. That is common business sense, and naturally anyone who hasn't got it will lose money.

Mr. Lindsay: Straighten the catering out while you are at it.

Mr. TENNI: We are getting away from the freight, although I appreciate that remark. I agree with the interjection. If we want to compete with the airlines and the buses—and I believe that we should compete—then we must give service and good conditions. The catering is lousy. Let us do something about it. I wouldn't feed my dog on things we are fed by the railways. I'd give much better than that. Let us do the right thing by the people we want to attract back. Let us give service to the people who wish to travel by rail. If we desire to attract some of the people who travel by buses or planes, we must provide the services that those forms of transportation offer.

Mr. Doumany: What about the booking system?

Mr. TENNI: That is absolutely shocking. Again it comes back to general management. I could go on and on about the faults of the Railway Department. I hope that 12 months from now I do not have to stand up in this place and again urge the Minister to bring about some sensible management in the Railway Department. I want him to look at it now, and I want that sensible management to take effect now, not next year.

I pass on to the other thing that I am bitterly disappointed about in the Budget. I am totally disgusted about the 2-gallon wine and spirit licence fees. The Treasurer is aware of the problems of the 2-gallon wine and spirit merchants. All the N.Q.L.T.A. members are faced with serious problems. They are faced with bankruptcy, and we as a private-enterprise Government should be ashamed of ourselves. I hope that something is done in this Budget beyond the lousy reduction from 15 per cent to 12 per cent. That's not worth two bob, as any sensible businessman would know. Anyone would know that 3 per cent today is not going to make a person a quid. It is not going to get him out of trouble—not with the inflation trend that we have.

I feel sure that the majority of my fellow parliamentary members are not acquainted with the full ramifications of the imposed fee, which has placed merchants in their present disastrous predicament, and I say "disastrous" advisedly because that is the only way to describe it. We see that the hotel licence fees are to go up to 8 per cent. I heard the honourable member for Bundaberg say that hotels employ a lot of staff. I could not agree more with the honourable member for Bundaberg. They do employ a lot of staff, whose hours are very bad. They are paying double time, time and a half, and even time and a half on double time—but they work for 80 hours a week. They have 80 hours a week as opposed to the 40-hour trading for the wine and spirit merchant. There were no problems before.

The wine and spirit merchant had to pay 1 per cent more than the publican on retail prices as against cost price for the publican.

That resulted in a difference of roughly 4 or 5 per cent. In that way they were both able to run their line of business. I heard the member for Bundaberg make a very silly and stupid statement. He said that they do not employ any staff. I can assure you, Mr. Row, that three outlets in my electorate, which did employ many people, employ only two or three now because, owing to the 15 per cent slug in the last Budget, they are not getting any business. It has nearly wiped them out. As a matter of fact, they cannot obtain finance from the banks to pay the 15 per cent on last year's trading.

They were hoping and praying and sweating on this Budget. They were hoping that we, as a free-enterprise Government, would do the right thing by them. And we didn't. We reduced the fee from 15 to 12 per cent. It is something that I, as a private free-enterprise member of this Government, am terribly ashamed of—shockingly ashamed of. To think that I am a party to deliberately bankrupting 30-odd two-gallon wine and spirit merchants in North Queensland! I pull no punches in this matter.

An Honourable Member interjected.

Mr. TENNI: I am not ashamed at what I am saying; I am telling the truth and if the truth hurts, wear it. That is my argument.

The Treasurer should look seriously at this problem because the fee must be altered. We must give each and every-one a chance to make a living and to survive. Under this Budget the two-gallon wine and spirit merchants haven't a chance. They are being told, "We are going to bankrupt you." That is exactly what we are doing. I plead with all honourable members to help me to do something about this. They would not like it to be happening in their own areas and I do not like it in mine.

The Budget provides for a reduction in the number of houses constructed. I have big housing problems in my electorate. However, I can appreciate the problems confronting the Treasurer in this case. We have seen what the Labor Federal Government did in the three years that unfortunately it was in power. We have seen inflation.

We have seen the shocking things that the unions got away with. We have seen some of the shocking things that the unions have got away with lately. As I said a while ago, I think that the sensible person who is a financial member of a union has now woken up to his boss. I feel that the boss is going to tell him where to go because it is his neck that is on the block. Every time there is a strike, some of the unionists who support it always, without fail, lose their jobs. Every time an increase is brought about through some stupid union prodding for it, the boss says, "That has cost me \$200. I will get rid of two of my staff." If he does not do that, he cannot sell his product. I say without any doubt whatsoever

that anybody who supports a union today supports himself out of a job. He deliberately finances his union to put him out of work. The unionist knows this now.

I am pleased that the Budget provides for the construction of a bridge over the Barron River at Stratford. I believe that the previous member for Barron River during the six years he was in Parliament and the honourable member before him tried for some six years to have this bridge constructed.

Mr. Powell: They weren't successful.

Mr. TENNI: I thank the honourable member. They were not successful, but through the keen interest of the Minister for Local Government and Main Roads—

A Government Member: And experience.

Mr. TENNI: He is experienced and he came and had a look at it.

Mr. Powell: It is the result of fine representation now.

Mr. TENNI: That is without doubt. The Minister came up and I know that a new bridge over the Barron River at Stratford is to be started in about a month's time. It has taken me 20 months and I think that is quite good.

Mr. Frawley: I have been trying to get a new Hornibrook Highway for five years.

Mr. TENNI: The honourable member should come and see me and I will tell him how to do it.

In addition, new high-level approaches will be provided on both sides. The total cost will be over \$3,000,000. It is something that was needed urgently and I was not going to give up until I got it. But we have got it and I thank the Minister for Local Government and Main Roads. I also thank the Treasurer for making sure that provision for it was contained in the Budget.

Mr. Jones: Is this going to cure the flood problems at Thomatis Creek, too?

Mr. TENNI: I am glad that the honourable member brought that up. I believe that he tried to help the previous member for Barron River. Following the construction of this bridge, another one will be provided over Kamerunga and another over Avondale Creek. That is the next stage. That will provide an all-weather highway from Mossman, the Tableland, the northern beaches, and right through to Cairns. I thank the honourable member for bringing this matter up. I hope that people in my electorate read "Hansard" and see what I have to say on it.

Following that will be the bridge over Thomatis Creek.

Mr. Aikens: What about all the hillside at Cairns that is sliding down?

Mr. TENNI: The honourable member for Cairns is doing nothing about it, either. There is also the upgrading of the Delta Road. We will then have two beautiful highways into Cairns from the north. Isn't that something to be proud of as a Government? I am certainly proud of it as the member representing that area. I am proud that we have a Minister for Local Government and Main Roads who had sense and brains enough to go ahead and plan this scheme.

Mr. Frawley interjected.

Mr. TENNI: The Budget also provides for a new school at Mt. Molloy. The previous member could not get it. The Laborites at Mt. Molloy told me that I would not be successful. I told them, "You just wait and see." Provision for the new school at Mt. Molloy has been made in the Budget and work on it will commence in three weeks' time. We are to have a brand-new hospital in Mareeba. Funds for it have been allocated in this Budget.

Mr. Frawley interjected.

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

Mr. TENNI: I had six years' local government experience and it does help. I believe this is the ideal background for a person seeking election to Parliament.

The TEMPORARY CHAIRMAN: I ask the honourable member for Murrumba to kindly cease turning his back on the Chair.

Mr. TENNI: I also congratulate the Government on the reduction in pay-roll tax. I know what benefit this is to the small company. I know for two reasons: one, I am involved and associated with companies myself; and, two, I was associated with a small businessmen's committee which travelled the east coast of this State and found out the problems of small businesses, and what other Governments were doing to assist them. This is one of the things I am very proud of. In our report, we recommended a reduction in pay-roll tax and I am glad to see that the Government has gone ahead and carried it out. I only hope that next year we go further with it and that eventually we will terminate this shocking tax. When all is said and done the effect of this tax is that the greater the number of persons employed, the heavier the Government's tax will be. This Government is taking the right steps towards eliminating it.

The allowances for jurors, witnesses and interpreters are being increased. I do not know what this covers exactly, but I sincerely hope that it covers at least what they lose when they are away from their jobs.

I am very proud to be in a Government which is eliminating death duties and gift duties. These are shocking taxes. I have

heard some of the Labor people in my area say, "They only help the fat cats." What a stupid statement to make! The more money kept in a business when a person dies, the greater the possibility of avoiding its sale or bankruptcy to pay death duties and the greater the number of jobs for the little man. The sooner the silly little Labor people who make these stupid statements wake up to themselves, the better it will be for them, because without businesses employment cannot be found for the little fellow. If a business is sent bankrupt or nearly bankrupt through death duties, they lose their jobs. It is as simple as that.

I am glad to see that there is an increase in health allocations.

Education worries me. It is a great worry to everyone. I make it quite clear that I do not want to be associated with any of those school teachers who participated in the rolling strikes over the past months. I am disgusted at their being stupid enough to go out on strike over an issue like that. I think they acted in a very silly and foolish manner and they probably now think the same. If they had any brains at all, they would admit that they would not want their own children to be taught by "druggie" teachers. I have no sympathy for them. But I do say that as the Government is providing this fantastic increase in expenditure on education, it is going to have to look at the problems in the system and do something about them.

I thank you, Mr. Row, for the opportunity of speaking at this stage in the Budget debate. I repeat that we have to look at the problems within Government departments in a sensible, businesslike, private-enterprise fashion and we will not then have 15 per cent increases in freight rates and that type of thing in the future.

Mr. HARTWIG (Callide) (9.6 p.m.): I rise to comment on the Budget for the 1976-77 financial year introduced by our new Treasurer. As it is such a vast State, and a very progressive one, Queensland has suffered many teething problems during the past decade. I would like to draw attention to the wonderful state of Queensland's finances through the management of the National-Liberal coalition Government. This has been due in no small way to the efforts of Sir Gordon Chalk and a great deal of credit must go to him. There is no doubt that, in comparison with other States, Queensland is in a great financial situation and we can give a lead to the other States in many respects of government.

I would like to make reference to a few of the remarks of the honourable member for Bundaberg. I feel that his speech should be printed and distributed to show the people his line of thinking. I am sure that he would then have no chance of gaining pre-selection for the A.L.P. and, despite what I might say or what anybody on this side might think, he would be out on his neck.

I want to comment briefly on the situation within the State of Queensland. Over the years Queensland has gone from a basically primary-producing State to a State with rapidly developing secondary industries and in recent years we have to some extent, I am sorry to say, neglected the primary sector. This is a wonderful State. It has great variations of climate. It has a high rainfall belt on the east coast which can produce almost anything over 1,000 miles of coastline from Cooktown to the Tweed. The hinterland can produce beef, sheep and wool equal to the best produced in any other State or indeed in any other nation.

Let us therefore take a look at the exact situation as we see it today. Our wealth is based on production and our productivity is based on profitability. I feel that this is quite an important aspect of primary production. For too long now people have had the idea that we can continue to ignore the primary sector. Whether we like to admit it or not, previous Governments failed badly in their duty to primary industries in that they did not give full support to the people on the land who work unlimited hours and in many instances live far away from telephones and television. They are the backbone of this country; but they have constantly been ground down till they are no better than peasants, particularly following the 1972 election.

Having said enough about the A.L.P.—of course, one could speak at length about the three years of the Whitlam Government—I remind the Committee that Queensland, more than any other State, was responsible for the return of the Liberal-National Country Party Government to Canberra. Have the benefits that Labor took away from primary industries been restored to the extent that they ought to be in order to bring confidence back to the primary sector? Unfortunately, they have not—and I regret to say it. The petrol subsidy was removed by the Whitlam Government, and it has not been restored. The primary producers of Australia threw Whitlam out. They expect a better deal than is now being handed out by the Government in Canberra. I do not give a damn about saying that. I came here to represent the people of my electorate and the people of the State of Queensland. As far as I am concerned, if someone is not doing the right thing, I will tell him so.

In my opinion, the concessions that were available to primary producers should be restored. In many instances people should be paid to live in the country and put up with all sorts of inconveniences. They have to pay more than \$1 a gallon for petrol, generate their own power and install their own water supply systems, and perhaps drive hundreds of miles to see a football match or a cricket match. In many instances they have to travel 1,000 miles to reach the coast.

Mr. Jensen interjected.

Mr. HARTWIG: The honourable member made his speech; I ask him to allow me to make mine.

I believe that the abolition of death duties by the National-Liberal Government is one of the greatest things that has happened in the State of Queensland. Undoubtedly, it will be followed by other State Governments throughout the Commonwealth, and it must eventually be followed by the Federal Government.

Let me give the Committee an example that came to my attention recently. A pioneer passed away. He and his wife had reared their family in a remote area of the State. His family now face the task of meeting \$100,000 in death duties, and interest on that sum amounts to about \$8,000 a year. To meet that debt, it will be necessary for them to sell every acre of land, every head of stock and the home in which his elderly wife is living. I doubt very much—and they do, too—whether even then they will be clear of debt. That is only one of the many thousands of cases that honourable members in this Chamber could relate.

Again the Government of Queensland has given the lead. It has also removed gift duty. Is it not only right, Mr. Row, that the mother, father or bread-winner should be able to dispose of any assets to various members of the family without having to pay tax?

Let us look at what the Government is trying to do. I have here a newspaper report which refers to a committee of five National Party back-benchers set up for the purpose of investigating small businesses. It reads—

“Mrs. Vicky Kippin, M.L.A., advises:—Many operators of small businesses are finding it very difficult to keep their heads above water in these times of economic stress.

“The Premier is looking to the Committee for recommendations on relief to stop these businesses ‘going broke.’”

I would like to know what happened to that committee. I do not reflect on it, but I would like to know how a 15 per cent rail freight increase is going to affect the members of that committee when they make certain recommendations. They tried to find out what was wrong with small businesses, and how this Government could assist them. Following the 40 per cent increase in rail freights last year it was said that there would be no more increases for some time. We had gone eight years without raising rail freights, which was a credit to this Government. Another 15 per cent on 40 per cent makes a 55 per cent increase in rail freights. As Queensland is such a vast State, we have seen another nail driven into the coffin of people who live 1,000 miles from the capital.

It riles me to hear Opposition members try to decry the efforts of this Government to introduce a standard electricity tariff. They say, "We are not going to subsidise the country people. We are not going to pay a little bit extra so that people outside Mt. Isa, Cloncurry or Boulia might get electricity." But the people of the Outback can pay an additional 15 per cent on top of a 40 per cent increase in rail freights. They are not in a situation to bear that cost. They cannot pass it on. They are at the end of the road, and they cannot absorb it. Whether they be small-crop growers, lucerne growers, fruit growers or pineapple growers, they not only pay 15 per cent on the produce they are sending to Brisbane but also 15 per cent more on their inward freight. They are coping it both ways.

When Mrs. Bjelke-Petersen recently returned from a trip through Central and Western Queensland she addressed a National Party meeting at Yeppoon. I have never heard a more interesting address. She had her finger on the pulse of the problems of the people of this State when she said, "What are we doing to allow Canberra not to reintroduce the Federal subsidies? Now that we have put our Government into Canberra we should have the courage to stand up to them and say, 'We want those subsidies reintroduced.' Where are the Anthonys, Frasers and Sinclairs? What are they doing about the problems created by the removal of the fuel subsidy? Let them speak out." I believe that those in rural areas now represent only about 5 or 6 per cent of the voting population of the State and nation, and therein lies a tale. We have not got the votes. We are going to rue the day if we do not smarten up our footwork and pay more attention—not lip-service—to the primary sector to make sure that people do not have to walk off their properties.

Let me read something I happened to pick up. It states—

"It's a wise man who learns from his own experiences. Cattlemen would be wise to learn from the disastrous experiences of the Dairying Industry.

"In 1956 there were 27,737 dairymen in Queensland. There are now only 4,300 left."

At this time men are going overseas to study dairying and to further the interests of the dairy industry. What hypocrisy! Today we are importing more cheese than ever before.

Mr. Moore: All full of foot and mouth disease.

Mr. HARTWIG: Yes. Dairy farms are being established in the Middle East, and Malaysia is asking for thousands of head of our dairy stock. I predict that within 10 years we will be importing dairy products from those countries.

Queensland is not producing enough butter, nor is it producing sufficient quantities of milk. Although we have been fortunate enough to have a string of good seasons, we are importing butter from Victoria. That State is now experiencing a drought and I have read that it wishes to import 1,000 tons of butter from New Zealand. Doesn't all this reflect on our great State, which has the soil, the water, the climate, and the know-how to produce enough food not only for this nation but also for many overseas countries containing millions of starving people?

If we examine our Government's policies more deeply, we will see that they are not consistent with what I regard as free-enterprise policies. I fear for the future of our primary industries. As an example I cite the recent pig-swill Bill. It has cost this State hundreds of thousands of dollars. Let me illustrate the cost of that Bill to the city of Rockhampton alone.

The Rockhampton Base Hospital previously sold its food scraps for \$3,000 a year. It is now costing that hospital—in other words, the Government—\$300 a month, or \$3,600 a year, to dispose of its scraps. In addition, 250 pig producers were forced out of production. Isn't all this adding to the cost to the consumer of pork and bacon? Hasn't it driven people from the land to the cities?

To continue—St. John's Hospital is paying \$675 a year for the disposal of its food scraps, St. Andrew's Hospital is paying \$1,200 a year and the Mater Hospital is paying \$4,200 a year. I don't know where the honourable member for Rockhampton is, but I am sure he would be interested in these figures.

Mr. Moore: He wouldn't be interested.

Mr. HARTWIG: He supported the legislation.

It is costing "Eventide" \$1,400 a year to get rid of its scraps. Who is paying the additional cost? It is paid by the pensioners who reside at "Eventide". This Government is to blame for all these additional costs. If ever I saw a heap of garbage, it was the pig-swill Bill. Its introduction has led to the creation of rotting, seething rubbish dumps throughout the State. Dozens and dozens of wild pigs are coming out of those dumps. If ever foot and mouth virus appears in any one of these dumps it will be goodbye to the primary industries of this great State and nation.

An Honourable Member: Get back to the Budget.

Mr. HARTWIG: This is in the Budget. The city of Rockhampton is faced with a cost of \$16,000 a year as a result of that one Bill. I wonder how much Brisbane and the Gold Coast are paying as the result of the introduction of that legislation.

Whereas previously these institutions were selling their food scraps, now they have to pay out big money to get rid of them.

I will now talk about the Agricultural Bank. Although \$20,100,000 has been allocated to the Agricultural Bank, it is broke. It has no money for new lending. What sort of an institution have we got and what sort of a situation are we in when that happens? Isn't it high time that the Queensland State Government set up its own rural bank to protect and assist the people in primary industries? What is wrong with using S.G.I.O. funds? We are building massive multi-storey buildings in the city. What is wrong with using the funds of other organisations? Our farmers and graziers and our housing industry desperately need finance which our own State bank could, and should, provide. I believe that it would do much to help. I know that the Premier supports the idea of a State bank. The Minister for Primary Industries has assured me that he sent a man interstate to report on the creation of a State rural bank. I am sure that all parties in this Parliament would support a State rural bank. I believe that legislation should be enacted as soon as possible to bring that about.

It is interesting to note that some time ago I presented a case on behalf of the Callide Valley Lucerne Growers' Co-operative Association. I sent copies of that submission to the Minister for Transport, the Minister for Primary Industries and the Treasurer, pointing out what the increase of 40 per cent meant to these lucerne growers. The Callide-Dawson Valley is used as a fodder bowl for most of the northern and western areas of the State. Do you know, Mr. Row, that only one Minister—the Minister for Primary Industries—answered that submission? The old freight rate was \$37.50 per tonne. The 40 per cent increase took it to \$52.50 per tonne to Mt. Isa. Fifteen per cent on that amount makes \$60 a tonne freight. What chance do people living in the northern and western areas of this State have to provide fodder through farm management or station management in times of drought or dry spells? They are not in the hunt. I predict that cattle will die, not by the thousands but by the hundreds of thousands, as a result of the high freight rate imposed on lucerne hay.

What happens if we get a drought? The first thing any shire does—they all go to the Government, of course—is ask that the area be declared drought-stricken.

An Honourable Member: They are now.

Mr. HARTWIG: That is true. As soon as we do that, the Government is up for millions of dollars in order to give concessions to the people on the land. Why don't we give the concessions and wipe this 15 per cent increase in freight rates? Why don't we help these people and encourage them to store their fodder; to live on, maintain, and properly manage their properties and their stock? Why don't we do it in the

good seasons? Don't we give any forethought to what is going to happen? As sure as night follows day, there will be a drought and it will not only cost this State hundreds of thousands of dollars in freight subsidies but it will destroy thousands and thousands of head of stock. So let us be a little realistic and positive in our planning and deliberations as they affect the rural economy of this State.

Mr. Warner: Let us look ahead.

Mr. HARTWIG: That is right. We must look to the future. If we do not, then we are marching very quickly towards a great tragedy in this State.

Drought-affected cattle, because of their condition and the high cost of freight, cannot be marketed. If we have a look at the other side of the argument, we see that because of high rail freights the grazier cannot afford to buy fodder. At this time hay costs \$120 a tonne at Biloela and if \$40, \$50 or \$60 is added, it is absolutely beyond the means of any property owner to purchase in a dry time that all-important item called fodder.

As we, as a Government, profess to support the people in the outlying and far-flung areas of this State, I cannot understand why we discriminate—and I repeat "discriminate"—against certain sections of primary industry. We have not charged the grain growers, and good luck to them. There should not have been any increases in rail freights because the people in the back and outlying areas in this State just cannot afford them. It is time that we took our hats off to them and said, "We cannot do this to these people." We are driving them from the country to the cities, which they are cluttering up, and that is not good for anybody.

I now want to present a case on behalf of the pineapple growers at Yeppoon who use railway transport exclusively. They send trainload after trainload of fruit from Yeppoon. Last year they railed 18,000-odd bins and 12,000 cartons of pineapples and paid \$336,000 in freight. They are now being asked to add 15 per cent to the cost of their produce.

Look at their costs. In the past three years, the price of superphosphate has risen from \$35 to \$73 a tonne, an increase of 108 per cent; the price of potash has risen from \$114 to \$232 a tonne, an increase of 103 per cent; the price of sulphate of ammonia has risen from \$59 to \$119 a tonne, an increase of 100 per cent; and the price of urea has risen from \$82 to \$155 a tonne, an increase of 89 per cent. Vehicle registrations are up 50 per cent. I believe that this case deserves consideration. The pineapple growers are coming down here and the Minister and the Premier have consented to interview those who wish to make representations. I will certainly be in there fighting to help them.

I believe that the Communist element in this country has to be confronted. I do not think that the Mundeys, the Carmichaels, the Halfpenneys and the Hamiltons can be allowed to run riot any longer.

A Government Member: And Costello.

Mr. HARTWIG: I could go on. The list is as long as my arm.

Mr. Frawley: We should declare them illegal and deport them.

Mr. HARTWIG: Here again we pay only lip-service.

About 99 per cent of the people of Australia are decent, law-abiding citizens. Yet we let the other 1 per cent dictate not only to this Government but also to the Federal Government. These people tie up our primary industries, our ports and our electricity generation. And we sit down and take it. If I walk into a shop and steal a handkerchief, I am summonsed. These people can cut off a dairy farmer's power and destroy his income for 12 months. If he cannot milk his cows and get rid of his produce, he loses financially. We as a Government should have the courage to stand up and have this confrontation as quickly as possible. The Commos would not be tolerated in Russia. They would just evaporate into thin air because strikes and other interruptions to industry which inconvenience decent-living people are not permitted in that country. They call out thousands of people who cannot afford the resultant loss of wages. These are wage-earners who are law-abiding citizens, but they have to go out on strike because of Communist-inspired unions. I say to the Prime Minister and to the Deputy Prime Minister, "Get out and have these fellows on." I do not think that anybody on the Opposition side of the Chamber wants to tolerate them, either. Bob Hawke fears them; John Egerton fears them. They have got the trade unions of the country by the neck. I say this: we have got to confront these people and put them on an island in the Pacific; and don't send a row boat near them.

Mr. LESTER (Belyando) (9.36 p.m.): This particular Budget speech is of some significance because it is the first Budget speech which, after some 10 years, has been introduced by a different Treasurer. I would very much like to pay a tribute from the floor of this Chamber to the efforts over the years of the former Treasurer, Sir Gordon Chalk.

Honourable Members: Hear, hear!

Mr. LESTER: I do this on behalf of the many constituents in my electorate who have been helped in different ways by the former Treasurer. On more than one occasion he came to my area; he met people; he did all that he could do to help them where he could; and, of course, when I was trying

to learn the ropes to enter this Parliament he often gave me a lot of sound advice. Since I came here he also helped me by giving advice in many ways. Quite often the advice was not the type of advice that I thought was right, but I must admit in view of the wonderful financial position of our State that the advice was right. All I can say is "Sir Gordon, thank you very much for a job well done. My people in Belyando have appreciated your efforts, and may your future days be very happy for you."

As for the new Treasurer, I would like to take this opportunity to wish him the very best in his new portfolio. It is not an easy one. No matter what one does in these times of inflationary spiral one is going to have difficulties. No matter what the Treasurer does, he cannot please everybody. All that he can do like us, is his best. I am quite sure that common sense will prevail and our State will be quite happy. All I can say is, "The very best to you."

Frankly, this latest Budget under the circumstances is a very good Budget. After all, it is difficult to prepare a Budget that everybody would like when the country is in the grip of such an inflationary spiral and one that has been going on for some considerable time. No matter what we do, if we increase our spending—and our spending for education has been most helpful, as is the taking away of the death and gift duties, reducing the land tax and the road tax and the various other assistance to the country people—this money still has to be found. No matter which way we look at it, it is not easy. As a country member of Parliament, I am naturally disappointed that freight rates have had to rise. I am grateful that the grain and cattle freight rates have not increased, but all I can say to those people who are so ready to condemn the Government over the freight rates, "Where could we have got the money to continue?" I just do not know the answer. I do not think anybody else does. Certainly at this stage nobody has come to me with the answers.

In all, our Budget has been a particularly good one under the circumstances, and I just wonder where we are going with this great trend for better education and the more with-it methods.

Many years ago great numbers of people died from epidemics. They would all go to hospital but they could not be cured. Eventually the scientists got to work and found drugs that could cure these people. That was not good enough; then we decided that with our technology we had to have a faster way of life. So a lot of people die of heart attacks and cancer, diseases that we did not see in earlier days to the extent that we do now. Some who do not die from these diseases are killed in motor-cars. So it does not matter how far we go with technological advances, a law in nature seems to bring

us all back to earth. We are not really getting very far at all, particularly with the present inflationary spiral.

I want to refer briefly to my electorate of Belyando, which is an area of some 33,000 square miles. The new Treasurer has seen quite a deal of it recently and has met a lot of people in the area. He made a magnificent tour of the area and did his best to help the people he met. It is necessary to bring before the Parliament again the great problem confronting the area, that of parthenium weed.

Opposition Members interjected.

Mr. LESTER: It is all very well for people such as the honourable member for Bundaberg, who does not know whether he will receive pre-selection or not, to laugh at me and want to know why I am asking silly questions about parthenium weed, but I want to say to this Parliament and to everybody concerned that, with the growth and spread of this weed, we have a major problem on our hands. I brought it to the notice of the joint party meeting 12 months ago and amidst a little bit of laughter I did get through the point that it was a serious problem. The way this weed has spread in spite of prevention methods employed by the Government has become a household topic. With the recent rain in the area there has been an enormous spread of weed and, mark my words, when Christmas comes and we get the normal monsoonal rains, this weed is going to spread to many parts of the State. It has spread to many areas already and it will spread further.

It is not beyond the realms of possibility that we could have to declare a state of emergency and conduct a fair-dinkum onslaught on this weed to try to get rid of it because, if we do not get rid of it, not only the people in my area will suffer but the people of Queensland will suffer, the economy of the State will suffer greatly and even the economy of Australia as a whole will suffer. If we are to do anything on a large scale, the Federal Government will have to come to the party and pull its weight because, my goodness me, I have never seen a weed cause so much devastation. It just continues to grow and grow no matter what one does to it. It will germinate at any time during its growth period and it will germinate any number of times. Each time it germinates it spreads up to 2,000 seeds, and if that does not pose a serious threat I do not know what does.

An Honourable Member: Will anything eat it?

Mr. LESTER: At this stage we have not been able to find any species that will eat it. Certainly at this stage there is no biological control that is successful. There is no insecticide that is totally successful in spite of what some of the manufacturers might claim. Cattle, sheep and horses just will not eat it, so it is totally useless. It grows to a

height of about six feet and spreads out and chokes off any grass in the immediate vicinity.

The fact that the Agricultural Bank has no money left to lend to people in need is of considerable concern to me. I do not know what the answer to this problem is. Obviously the bank has no money to lend and no new applications are being processed, but I would point out that it is extremely frustrating for someone in my position in the middle of a country area when genuine people come into my office wanting Agricultural Bank loans and I have to look them squarely in the eye and say, "Sorry, mate, there's just no money."

I ask the Government to study the problem carefully to see what can be done to solve it. Country areas are not progressing as they ought to, and people cannot borrow money. When money is lent for Housing Commission homes or other purposes, people have to pay up to \$50 a week in interest alone, before beginning to pay off the house. With inflation as it is, we are pricing ourselves out of business.

Never before have people had such difficulty in trying to live. I would be prepared to bet that, even in this Chamber, not one member of this Assembly, including Ministers, could save money from his parliamentary salary if he is doing his job properly and using his expenses in the correct way. Members of Parliament are considered to be on a reasonably good salary; but even if we are meeting our commitments, we are not putting anything in the bank for the future. I do not know how people who do not receive as much as we do manage.

Mr. K. J. Hooper: Do you think you would make more dough in the bakery?

Mr. LESTER: Let me say quite clearly that I made more dough in the bakery because dough is used to make bread.

Mr. Frawley: What is your stamp allowance? Does it cover your needs?

Mr. LESTER: I understand that Federal members are allowed 1,000 free letters a month provided they are sent from Canberra. Of course, we are not members of the Commonwealth Government, so I do not suppose we can expect that.

Mr. Yewdale interjected.

Mr. LESTER: Honourable members opposite are trying to distract me from my task of putting before the Committee the problems of my electorate and trying to make a sensible contribution to the debate.

I would support any move by the State Government to introduce a uniform petrol price in Queensland. There is no reason why the people of Cammooweal, Mt. Isa, Clermont, Longreach, Gladstone, or wherever it may be, should not pay the same price for petrol as people in Brisbane pay.

Admittedly, it is not the easiest thing in the world to bring about a uniform price for petrol. Many complications arise when companies distribute petrol from different centres throughout Queensland. However, as a State Government, we must prevail upon the Federal Government to make a significant contribution in this field.

The people in country areas produce primary products and, to a certain extent, secondary goods. They produce cattle, sheep and grain that are exported to other countries. Coalmining might also be regarded as a type of primary industry, and coal is exported to many part of the world. But for the people in country areas—coalminers, grain growers, sheep and cattle men—Queensland would be a much poorer State. Therefore, we must do all we can to improve the lot of country people.

Certainly the Budget, by means of a reduction in road tax, will assist to provide cheaper transportation. The Government is endeavouring to ease the burden of land tax—in fact, it is doing so—and members have prevailed upon the Government to remove death duties and gift duty. All these measures are assisting both country and city people. However, further assistance is needed, and I urge the Government to discuss with the Federal Government the question of additional tax relief for those who live in country areas. It would be very pleasing to me if a formula could be worked out on a north-west basis so that the further north and west a person went the better tax incentive he would receive. If such a formula could be worked out it would be one way of overcoming boundary disputes and other disputes that arise in tax zoning.

I wish to make just a few comments about some items in the Budget. I will deal with some of the areas that I try to represent. First of all I will refer to the small town of Duaranga, a place that does not often get mentioned, but a town of very special significance to me. When I finished my apprenticeship in baking I hitch-hiked into Central Queensland to take up a job. I found that the bakery at Duaranga was for sale. I managed to scrape together enough money for a deposit on that bakery, and it was there that I started my business career. I certainly have some fond memories of that town because it gave me the start to go on to buy a bigger bakery business in Clermont two years later.

I was very honoured the other day to have the Minister for Aboriginal and Islanders Advancement and Fisheries come to Duaranga with me to open the pre-school. He was well thought of by the Duaranga people, and many of them have written or telephoned me about the very pleasant personality of that jovial little Minister. He opened the pre-school there and gave the children a holiday. No doubt he has improved my chances of being re-elected.

The TEMPORARY CHAIRMAN (Mr. Row): Order! There is too much audible conversation in the Chamber, particularly on my left.

Mr. LESTER: Thank you, Mr. Row. I am very grateful for your assistance.

Once again from the floor of the Chamber I have to point to the very definite need to extend the rail trucking yards at Duaranga. They are simply not big enough to take the cattle. Those who are trying to sell cattle and rail cattle through those trucking yards have their backs to the wall. For a long time I have been trying to get the yards extended. They badly need extending. If the Treasurer could take this matter up with the Minister for Transport, and tell him that I am fair dinkum on this one, and would like help on it, I would greatly appreciate it.

I am very pleased at the improvements that have been made to the school in Duaranga. I hope that the painting will be completed soon. We have had various other improvements such as the provision of the new pre-school centre.

We hope to get a new goods shed and a new railway station in the not-too-distant future.

The bridge over the Dawson River is nearing completion. It will be a great day for the people of Blackwater and Dingo—indeed all points west of Rockhampton—to have the Dawson River Bridge completed so that no-one will be held up around Christmas-time. I sincerely thank the Government for the momentous spending in that area. I thank all the Ministers responsible for making the money available.

I am delighted to be able to say that a doctor now visits Duaranga once every two weeks. This is a considerable help, and gives the people in that area some stability. While talking about Duaranga, Dingo, Bluff, Comet and similar towns, I should like to say that, although they are smaller than most towns, they are places that play an important part in the economy of the State. They need attention just as much as the big towns, even if it is in a different way.

Recently the Minister for Aboriginal and Islanders Affairs and Fisheries visited Woorabinda with me. Woorabinda is an Aboriginal community south-west of Duaranga. I am pleased to be able to report that a new school has been built there. It is a special disadvantaged school with all the equipment in the world. The little Aboriginal children are being given a first-rate education at that school. In addition, a number of homes have recently been built; a new store has been erected and a twin dwelling is about to be provided for teachers. The health services in Woorabinda need to be upgraded. It is of concern to me that so many people have to be carried over the rough road to Rockhampton in times of emergency. If the Health Department can improve the

health services there it would be of tremendous benefit to the local residents. The Minister for Aboriginal and Islanders Advancement and Fisheries is most welcome to return to Woorabinda and to give good advice, as he did on his recent trip there.

I now move down to Dingo, on the western railway line. This year the town celebrated the centenary of the laying of the railway line to the area as well as the centenary of the school. On this occasion we had the pleasure of a visit from the Minister for Water Resources, the Honourable Neville Hewitt. Like the Honourable Claude Wharton, he performed admirably on that occasion. He got across to the people of Dingo the efforts that his Government is making to help them.

The Capricorn Highway is progressively being widened and work is presently under way on the section between Dingo and Duaranga. This work, together with the completion of the Dawson River Bridge, is of tremendous benefit to the people of the area.

New septic toilets as well as showers and an amenities block are needed at the Dingo Railway Station for the fettlers who use it as their headquarters. They are entitled to a decent way of life. It is not very pleasant for fettlers to have to shower with a bucket over their head. It is vastly different, of course, from the bucket that the Labor Party members try to tip on me when I annoy them. It is a heavy bucket, fitted to a swivel, and sometimes it falls down injuring the person beneath it. The fettlers in the area are entitled to a better deal. After all, without them we would not be able to transport our coal, cattle and grain by rail. The fettlers do not go on strike. In fact I have not yet heard of a strike by fettlers. They are entitled to be looked after a little bit better than at present. If anyone is pulling his weight and trying to do the right things by the people, it is the railway fettler. It is high time we gave him a better deal.

The Government is, of course, improving amenities and facilities for railway fettlers. They are being provided with a higher standard of accommodation. At Drummond, near Alpha, a new fettling gang hut has been provided—one of a higher standard than those erected in the past.

At it is almost 10 o'clock I shall conclude by referring briefly to the town of Blackwater. Its population is presently 6,000 and it is the biggest town in the Belyando electorate. Since my entry into Parliament, the Premier has visited Blackwater and has been well received by the people. Recently he and his wife and my wife visited the town, and their visit was a wonderful success.

Mr. Frawley: How do you get all those Ministers out to your electorate?

Mr. LESTER: The reason I get Ministers out into my area is that they are interested in coming to the area. Even the Minister

for Industrial Development, who is now walking into the Chamber, has been to Blackwater. He has certainly done some good for me by coming out and meeting the people in my area. In fact, all the Ministers sitting on the front bench at the moment, with the exception of our new Minister—and he is coming shortly—have been to Blackwater. That is the type of representation we have in the National Party. The Ministers are interested in the towns of country members. They come out and see us. They do what they can for us.

In conclusion, all I can do without taking this debate any further now that it is 10 o'clock, is to prevail upon the Ministers to keep coming to my area, to keep having a look at my area, to keep putting plenty of money into my area and to keep doing the best for my area. In that way, we will win hands down.

Progress reported.

FISH SUPPLY MANAGEMENT ACT AMENDMENT BILL

INITIATION IN COMMITTEE—RESUMPTION OF DEBATE

(Mr. Miller, Ithaca, in the chair)

Debate resumed from 21 September (see p. 637) on Mr. Wharton's motion—

"That a Bill be introduced to amend the Fish Supply Management Act 1972 in certain particulars."

Hon. C. A. WHARTON (Burnett—Minister for Aboriginal and Islanders Advancement and Fisheries) (10.3 p.m.), continuing in reply: In this debate honourable members will be aware that a very wide area was covered in the discussion, which I have found most valuable.

I would point out, however, that it is my intention to introduce in this Chamber shortly a Fisheries Bill and much of the material raised by honourable members has direct reference to the Fisheries Act rather than to the Fish Supply Management Act. It is my intention, therefore, to cover now only those areas directly involved in this legislation. I will cover in the debate on the Fisheries Bill the matters relevant to that legislation.

I turn firstly to the points raised by the member for Lytton, the Leader of the Opposition:

Mr. DEAN: I rise to a point of order. Is the Honourable the Minister closing the debate or is he moving into the second reading?

The TEMPORARY CHAIRMAN (Mr. Miller): Order! As I understand it, he is closing the debate.

Mr. DEAN: I thought it was a continuation of the previous debate.

The TEMPORARY CHAIRMAN: I am sorry. I did not know the honourable member was calling the Chair. I have called

the Minister. I apologise to the honourable member. I did not hear him call me. I called the Minister and the Minister has proceeded. I ask the honourable member to speak to the second reading of the Bill.

Mr. WHARTON: Regarding receival facilities at Colmslie, the board is experimenting with a cradle to ease the position at present and to speed up unloading. New cranes are being designed which will improve the position further. The board anticipates greater usage of the Colmslie wharf facilities.

The honourable member might be aware that the board has been processing mullet fillets for some 20 years.

Regarding the handling of overseas fish, I might remind the honourable member that Australia is an exporting country. Imports and exports have to be balanced to meet the needs of the moment. Where overseas fish is handled by the board it is only in small quantities as a stopgap measure in times of shortage and provides a service to the consumer.

Regarding help for the Sandgate co-operative, I should point out that the Queensland Fish Board is in essence a co-operative and has been given a job to do for the Queensland fishing industry. The co-operatives which have been established are for the benefit of a limited number of operators. They came into being when interstate and export markets were attractive. They prefer selling their product interstate to supplying the local market. As interstate and export markets are no longer favourable, they seek re-entry to the local market.

Regarding kerosene taint, which has been referred to by a number of members, I must record the work being done by Government departments in efforts to identify the source of this problem. As the member for Landsborough suggests, the problem will be reduced as the work progresses at the Luggage Point sewage treatment works.

My colleague the member for Isis wants a fish board depot at Hervey Bay. There are many areas where fishermen seek to have board facilities at their place of landing and they are continually being examined on their respective merits. However, the volume does not justify depots in many places. The Maryborough market is the focal point for a number of fishing areas and landing places within 50 miles and includes Hervey Bay area.

The member for Mackay misses the point if he thinks any discredit of Mr. Haly was implied by my reference to the appointment of members with accounting and financial experience. There is currently one vacancy on the board and the amendment merely gives greater flexibility in selecting persons with particular skills when the occasion arises.

The member for Mackay was quite wrong in saying that the system of selling reef fish is any different now to what it was when the North Queensland Fish Board was operating. Queensland buyers have first opportunity, but it is acknowledged that the more exotic species are very much in demand in the South.

The member for Mt. Isa need have no fears that the proposed amendments will in any way alter the existing selling practices as he outlined them. Neither Mt. Isa nor Karumba is in a fish supply district; therefore, licensed commercial fishermen operating at Karumba or other Gulf fishing spots are free to dispose of the catch in Mt. Isa as they see fit. Should these areas be declared fish supply districts at any time, the board could cover the situation by permit.

The Queensland Fish Board is doing an excellent job in distribution, and, whilst it is a primary producer organisation, it is very conscious that success depends upon service to other distributors and in providing a quality product for the consumer.

I should say that the Queensland Fish Board exists to service the industry. It belongs to the industry. It is an integral part of the industry. I therefore propose early in the New Year to explore the practicality of getting together as many people in the industry, in the marketing field, as is possible to assess and develop the various fields whereby together all can examine and promote the fishing industry.

Motion (Mr. Wharton) agreed to.

Resolution reported.

FIRST READING

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

FIRE SAFETY ACT AMENDMENT BILL

INITIATION IN COMMITTEE

(Mr. Miller, Ithaca, in the chair)

Hon. F. A. CAMPBELL (Aspley—Minister for Industrial Development, Labour Relations and Consumer Affairs) (10.10 p.m.):
I move—

“That a Bill be introduced to amend the Fire Safety Act 1974–1976 in certain particulars.”

The Fire Safety Act, which has been proclaimed to come into operation on 1 November, is possibly the most important legislation in community welfare terms which I have introduced.

Honourable members will applaud that, under the legislation, anyone intending to construct a new building or materially alter an existing one, other than a private dwelling, must obtain both interim and final certificates to attest that, in the first instance, the plans, and in the final instance, the completed structure, incorporate acceptable means of fire warning, fire-fighting equipment and

escape. It was a most significant public safety measure and I am pleased it was so regarded.

To implement the Act in other than 14 of the main provincial areas outside Brisbane, the State Fire Services Council was given approval to appoint regional officers to eight country centres. The express intention has always been that the council's officers would serve fire brigade districts where it is not economic for boards to employ full-time staff or fire safety officers. The regional officers undertake fire safety work outside the brigade districts and in respect of Crown buildings in and outside fire brigade district boundaries.

The present situation with regard to a board that does not have a fire safety officer is that one of the regional fire safety officers of the State Fire Services Council would carry out the duties of fire safety officers within the board's district, but the Bill will extend the present situation to enable a board in these circumstances to seek the council's approval for a fire safety officer employed by another board to be also a fire safety officer for that board's district.

The bill clarifies definitions of "fire authority" and "fire safety officer" and the section dealing with the appointment of persons to enforce the Act.

Opportunity is also taken to spell out that State schools and colleges under the Education Act and hospitals maintained under the Hospitals Act are premises used by the Departments of Education and Health.

Provision is also made that regulations issued under the Act may adopt the standard rules of the Standards Association of Australia and similar bodies.

The Bill is mainly for the purpose of clarification and will enable the State Fire Services Council to allow one board's fire safety officer to undertake work in another fire brigade district. I believe that this Bill has the approval of the various fire brigade boards and I commend it to the Committee.

Mr. YEWDALE (Rockhampton North) (10.16 p.m.): In the main the Bill before the Committee this evening was introduced for the purpose of clarification, but initially the Act was introduced to protect the public, to develop better co-ordination and understanding in the administration of fire safety and to promote a better form of communication within this very vital service. Further provisions require that fire safety officers obtain the necessary qualifications to satisfy the State Fire Services Council.

The legislation differentiates between old premises and new premises and alterations now made to any old premises. At the time of the introduction of this Act certain installations were required in new premises and, as I said, older premises were covered also as to any alterations. The new regulations

did not apply to buildings that had already been approved by local authorities. The Act requires that in buildings and premises certificates be displayed in a place accessible to persons using those premises. Occupiers have to be informed of means of escape and of safety facilities that become inadequate. The Act, of course, is a most detailed and comprehensive one and covers a great number of problems in the area of fire safety.

I would like to refer briefly to a couple of incidents in the metropolitan area involving the safety of persons in cases of fire. Recently I had the opportunity of watching a Channel 9 television news programme in which cameras were placed on a burning building in the city. We saw the male and female occupants of that building proceeding down the fire-escape and then coming to an abrupt halt one floor from street level. The fire brigade officers on the job had to move in very quickly with a ladder to allow the occupants to descend to the footpath and safety. It seems to me that if that fire had been much more advanced at the time the fire-fighting appliances arrived on the scene, those people would have had to jump from the first floor to the footpath. For the life of me I cannot understand why something is not done to update this rather antiquated system under which fire-escapes without extension ladders or ladders that fold back are being placed on buildings or being allowed to remain on buildings without modification.

There was another case in Brisbane about the same time. A building caught fire and when the fire fighters approached the internal section of the building they found that quite a lot of the material stored there was highly inflammable and toxic. The fire fighters had not known about it previously. Presumably the occupants of the building, an optical firm, had not advised anybody of the type of material being stored in the building. Although there was no loss of life, the fire fighters faced a very serious hazard. It seems to me that something should be done about unsafe practices such as that.

In my opinion, there are quite a number of fire traps in the Brisbane metropolitan area. For example, in many cases fire-escape doors that are provided for the safety of the occupants of certain buildings open on to open spaces where there are no ladders or stairways. Goods and other materials are stacked inside the buildings against the doors. I will not go into detail on the Whisky-Au-Go-Go case, but many buildings have no emergency lighting in case smoke spreads throughout the building and no emergency exits.

In the Minister's very brief identification of these fire officers, he mentioned that they will virtually be employed by the State and not by fire boards. He said also that they will be able to move from one district to another after permission is granted. It seemed to me that he suggested that an endeavour should be made to incorporate

an acceptable means of fire-warning, fire-fighting equipment and escape, and that the Government intends to do that throughout Queensland.

To meet the situation not only in Queensland but also throughout Australia, I suggest that there should be some standardisation of fire brigades throughout the country. It has been stated in a newspaper article that recruitment standards throughout Australia should be uniform and that training standards should be uniformly high. There should not be any undue overlapping of facilities such as rival duplicate training centres costing millions of dollars. There should be a national laboratory and testing station, which should be responsible for testing and evaluating equipment and setting and maintaining standards. Fire hoses and trucks should be standardised wherever possible so that a national fire brigades board could act as a bulk-buying authority. It could survey its member fire brigades throughout Australia annually and bargain with rival manufacturers for much cheaper prices for hundreds of trucks and tens of thousands of feet of fire hose.

The article also pointed out that equipment would be readily interchangeable, thus allowing massive help to be given promptly in any national fire disaster on a State border or to be air lifted in hours to fight a major national disaster such as the Tasmanian bush-fire, in which damage amounting to about \$14,000,000 was done because the fire-fighting facilities in Tasmania were overwhelmed and the fire raged out of control for a considerable period.

If we are looking for some sort of standardisation and uniformity in Queensland, why not look further afield? Having in mind some of the national organisations that now exist to deal with floods, cyclones, and so on, why not have a national organisation to fight fires?

Another important point is that the Commonwealth Government now has a compensation scheme for organisations that are changing to metrication. The newspaper article to which I referred earlier also points out what a great opportunity it would be for fire-fighting organisations throughout the country to standardise their hose-coupling fittings. This would reduce the cost of the changeover and also ensure that modern fire-fighting equipment was available.

The article makes another point on standardisation that I think is very interesting. It states that in Melbourne, Victoria, 131 separate causes of fire are listed, whereas only 18 are listed in Queensland. I do not know why we have not been able to ferret out and define the other 113 causes of fire.

Finally, I wish to speak about removing the levy from people in country areas who are not presently protected with fire-fighting facilities. The matter has been rather well ventilated in recent publications. "Queensland Country Life" reports that people are

very angry in the country at the Government's delay on the fire levy relief plan. It points out that the Premier of Queensland indicated that the withdrawal of the levy will not take place until 1 July 1978. It would seem that the reasons given by the Government for the delay in the withdrawal of the levy were "technical reasons". The technical reasons seem to be only that all insurance companies in Queensland are not computerised. Country people are not going to get any relief until July 1978. The levy which now stands at 47½ per cent is an imposition on those people. I will use Blackall as an example. Blackall has a fire-fighting service which, to all intents and purposes, serves a fairly wide area outside the town itself. The general proposition should be that where there is no reticulated water to a property the owners should not be expected to pay a fire levy.

It is ironical that I should raise this question because the Government has decided to withdraw the levy on the basis that these people are not being given a service, and therefore it is not unreasonable to suggest that they should not pay for it. The other day in this Chamber the Leader of the Opposition argued the very same point in regard to medical services and health facilities. People in country areas are expected to pay a levy for health and medical services despite the fact that those services are not available to them. If it is good enough for those people to have relief from a fire-fighting levy, surely it is good enough for them to have similar relief from the health levy.

On behalf of the Opposition I naturally welcome the provisions of the Bill, because anything that makes for greater safety for the community and property must be accepted. The only doubts and concern I have about it concern whether the machinery being provided will be policed properly and enforced in the manner intended.

I would make one final comment. In view of the fact that a new broom is being used now to implement this legislation, I would suggest it is about time somebody had a good look at the situation in Rockhampton itself regarding the administration of the fire board.

Mr. AKERS (Pine Rivers) (10.28 p.m.): As the honourable member for Rockhampton North said, the original Bill was brought down to protect the public. The public certainly needs protection in this vital field. What worries me in the possibility of getting some extremists in the enforcement of the provisions of the legislation. Some fire brigade officers I know of are rubbing their hands in glee at the thought of the power they are going to have when the Act is proclaimed on 1 November. I hope that the Minister keeps a very close watch on how the Act is enforced, and that the controls necessary to make it reasonable to get building approvals will be maintained.

The honourable member for Rockhampton North seemed to continue with the A.L.P. attitude of centralising everything. He wants to centralise the lot, which is typical of the A.L.P.

The one reason I have supported the Bill strongly is the type of building that is being put up around Brisbane and many other places (I know of one in Bundaberg, in particular) by package-deal builders. They produce buildings with very little control. There is no independent architectural control and no independent engineer in control of construction. For some reason or other the Brisbane City Council seems to be allowing them to have a very free hand.

As one example I will cite a building I know well—Sherwood House in Sherwood Road, Toowong. It was built by the famous Louis Ferro. It was built in the shoddiest manner imaginable, and it is a fire trap. I spent a couple of years in that building, and all the time I was there I was frightened that a fire would start on one floor and immediately spread through the whole building. I will list some of the things I saw in that building. When we were supervising the construction of the S.G.I.O. Building, the Brisbane City Council insisted upon the provision of fire-extinguishers on each floor. In Sherwood House there were none on the floor on which my office was located, nor were there any on any other floor. Furthermore, the air-conditioning system that was installed was the ceiling plenum type, in which all of the air is pumped into the rooms and goes out through the ceiling, where it is collected over the whole of the floor. If there is a fire in any one of the tenancies on the floor, although a fortune may have been spent on the installation of fire-proof walls between tenancies, the smoke goes up through the ceiling and then straight into the other tenancies. There is no control over fires between tenancies on each floor.

To complicate matters, the toilets are built with access directly from landings within the fire-escape stairs. With the system of locking that is provided, to get to the toilets a person is required to go out, and the door will lock behind him. What has happened is that the residents prop open the doors on the fire-escapes. The idea of installing doors on fire-escapes is to prevent smoke from going from one floor to another. With the doors propped open the smoke from a lower floor would fill the floors above, possibly trapping people on them.

The other fire-escape stair was built so that on the floor on which my office was located the door could not be shut unless it was kicked hard from the stair well side. If a fire were to break out, people would be required either to go down the stairs, which would become a smoke chimney, or to go out the other way.

I hope that things such as those will be controlled by the Bill and that fire brigade officers will be able to insist on the adoption of reasonable standards before a building is erected. But, as I said before, I do not want the Bill to be enforced to the absolute extreme.

The Bill will allow one board's officer to cover the work of an officer of another board. This system worked quite satisfactorily some time ago between the Redcliffe and Pine Rivers Fire Brigade Boards. When the Pine Rivers fire safety officer was moved into Brisbane, the Redcliffe fellow kept control, and the system worked quite successfully.

I support the introduction of this amending Bill and look forward to the controls that I have asked for on the enforcing of its provisions.

Hon. F. A. CAMPBELL (Aspley—Minister for Industrial Development, Labour Relations and Consumer Affairs) (10.33 p.m.), in reply: I thank honourable members for their contributions. Although the honourable member for Maryborough did not speak to the Bill, one of the provisions in it, in which we empower fire safety officers employed by one board to offer their services to a neighbouring board whose finances do not warrant the employment of such an officer, is the result of representations made by him to me. Despite the cackle of the Opposition, this suggestion from the honourable member for Maryborough was a most positive and sensible one and one that we were happy to acknowledge and implement.

Before the introduction of this measure a fire brigade board such as Maryborough, which because of its establishment could employ a fire safety officer, would not be able to offer his services to a neighbouring board, for example, in Hervey Bay. This Bill provides that that very sensible situation will apply.

The honourable member for Rockhampton North referred to what was said in the "Queensland Country Life". He said the comments in that paper indicated that the U.G.A. was very angry. It was also said that the reasons were technical and partly because insurance companies were not computerised.

Mr. Yewdale: That is what your Premier said.

Mr. CAMPBELL: I am in charge of this Bill.

It was also said that the reasons were technical and partly because insurance companies were not computerised and were not receiving relief. When I became Minister, and as one who had been associated with the insurance industry before I became a Minister, I was aware of the discrimination, if I might use that word, of the Act against policyholders outside the ambit of fire brigades—and this applied to the whole of Queensland for the last 20 years. Those people were obliged to contribute a precept towards the support of the fire brigades in their district without receiving any appreciable protection from them. One of the first things I did after becoming a Minister was to ask that that be investigated. As I had had 10 years' experience in insurance, I recognised that hardship existed in a system which for the last 20 years required all policyholders in Queensland to make contributions to the fire services of this State irrespective of whether they benefited from the service of a fire brigade.

I must say—and I will say it in Cairns next Saturday at the annual conference of the country fire brigade employers—that this Government and I have recognised that the peculiar system of providing the finances for the fire brigade service in Queensland imposed a hardship on those citizens who were located outside fire brigade districts. In consequence of that, this Government took steps to remedy that discrepancy.

Mr. K. J. Hooper: You are to be commended for it.

Mr. CAMPBELL: I thank the honourable member very much. I appreciate the comments of the spokesman from the Opposition. I am heartened by them. Perhaps the Opposition is more generous than some of the critics of the Government, who perhaps do not quite appreciate what we have set out to do.

I am quite surprised at the critics of this legislation, which seeks to absolve from the payment of the precept those citizens whose insured properties are located outside the ambit of the 80-odd fire brigade districts in Queensland. When the necessary legislative provisions are implemented, those people outside fire brigade districts will not be obliged to pay their portion of the precept which the fire brigades in the various districts ordinarily require.

I find it difficult to understand the attitude of these people to whom I refer who live outside the areas of influence of the 80-odd fire brigades throughout the State and who have, for 25 years, more or less, been paying their portion of the precept required to finance fire brigades. The mechanics and the machinery needed for making what I believe to be a revolutionary change—for the first time in possibly a quarter of a century—to absolve them from the requirement to pay that precept have taken roughly 18 months from the time the decision was made to change the policy through to its implementation. To a limited degree I can understand their mounting a campaign complaining that they have been treated unfairly. On the one hand, I have sympathy for them. On the other hand, I think it is rather churlish of these groups to assail a Government for what they believe is an undue burden on them without trying to understand the reasons for the delay in implementing such a radical change to absolve them from making contributions to service fire brigades. I find that quite odd.

I can appreciate that they might have to pay for another 12 months over and above what they have been paying for the past quarter of a century because of the problems and difficulties which I believe I have explained to this Committee.

If I have taken a little time in making those comments, I say simply that I am amazed that when people have for 20-odd years been obliged by the existing system to pay a precept on their insurance policies for benefits that they did not receive, and help is at hand, even though it might not be as immediate as they would like, such a campaign should be mounted. I am only sorry that the various organisations that have taken up the cudgels for these people have not even tried to understand the mechanics of it.

Let me explain the mechanics of the problem as one who has had an association with the insurance industry. I recall one honourable member saying to me, "The shire clerk of my council has said that if he had a day he could delineate all the risks between those who should pay a precept and those who are outside the fire brigade areas." On the surface, it sounds quite simple. On that basis my officers appeared to some to be ning-nongs because apparently we were making it more difficult than it should be.

I will take a few moments, with your tolerance, Mr. Miller, to point out that there are 80-odd fire brigade districts in Queensland. We are introducing a revolutionary change; it is a completely new policy. First of all, the various fire brigade districts were known but they had to be delineated on maps, and that took time. Then, of course, there are approximately 160 underwriters in Queensland, and this figure does not include all the organisations that cover insurance in this State. Some of the insurances on the large risks are written by brokers possibly in New York, London, or some other place. So it was a tremendous problem.

For the first time this Government has recognised in the provision of funds for our fire-fighting services in Queensland a distinction between those policy-holders in the State who enjoy the services of fire brigades and those who do not. We are taking steps to make a clear delineation between the two and to absolve from precepts those who are not now situated within the jurisdiction of one of the 80 fire brigades boards. The fact that we are absolving these people from precepts means that those within the fire brigades districts will have to bear a greater proportion of the cost.

I want to say to the Committee what I will be saying in Cairns on Saturday: the fire services of this State are a very expensive commodity. Drawing on my recollection, in the last two years the budgets have doubled.

The honourable member for Pine Rivers indicated the shortcomings of the local authorities around Brisbane who have responsibilities in this situation. This is more or less in keeping with what I have been saying. I was quite concerned that the member for Pine Rivers, who is a professional man and not given to making statements which he does not believe are factual, made some comments about the fire safety requirements of Sherwood House, Toowong. I want to say to him that because of what he said I will call for a report from the Metropolitan Fire Brigades Board and advise either the House or him at a later date.

Motion (Mr. Campbell) agreed to.

Resolution reported.

FIRST READING

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

INDUSTRIAL DEVELOPMENT ACT AMENDMENT BILL

INITIATION IN COMMITTEE—RESUMPTION OF DEBATE

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

Debate resumed from 23 September (see p. 691) on Mr. Campbell's motion—

"That a Bill be introduced to amend the Industrial Development Act 1963-1975 in certain particulars and to declare with respect to the validity and recovery of advances claimed to have been made under the authority of that Act and with respect to the enforcement of securities taken in relation to such advances and for related purposes."

Hon. F. A. CAMPBELL (Aspley—Minister for Industrial Development, Labour Relations and Consumer Affairs) (10.51 p.m.), in reply: I do appreciate the comments made by honourable members when the measure was introduced. Quite a few were of some interest. As I have said, this proposal is very much a formality. We are resolving to ratify steps which were taken under the Industrial Development Act 1963-1975 during the crisis period when flooding occurred in Brisbane in 1974 and my Department of Industrial Development in responding to that crisis made available, with Commonwealth assistance, \$4,000,000-odd to some 400 applicants. These applicants were in the main small businessmen who, in the absence of such financial support, would have gone to the wall.

Without unduly delaying the Committee I might say that this was the first time that a Government in this country, as I understand it, came to the assistance of businessmen, as distinct from primary producers because of a cataclysm like this "once in a hundred years" flood which beset Brisbane. A similar scheme was instituted earlier this year and people in Karumba and elsewhere in the State qualified for assistance. We came to their aid with a practical, sensible and immediate programme of financial assistance which enabled them to keep afloat.

Had the practical, sensible assistance we gave in 1974 not been forthcoming, some 400 small businessmen in Queensland would have gone to the wall. I am sure the honourable member for Bundaberg, being a practical fellow, and you yourself, Mr. Hewitt, would appreciate that without this assistance those businessmen would most assuredly have gone to the wall. Not only would they have faded into oblivion, but their employees would have been thrown on the employment market.

We heard a lot from the Leader of the Opposition today about Government flat-footedness in not coming to the aid of the businessmen, and I want to repeat, Mr. Hewitt, that to my knowledge, and I am sure to your knowledge, this was the first time that any Government in this country had come to the aid of businessmen in circumstances which hitherto had been regarded as a normal business risk. Such was the nature of the cataclysm and such was the disaster that confronted them that the Gov-

ernment acted with alacrity. As I said in my introductory remarks, within 10 days or a fortnight of their being assailed by this tremendous flood, help was at hand.

Mr. Houston: It was socialism in practice.

Mr. CAMPBELL: I reject that comment. I am surprised that the former Leader of the Opposition should say that it was socialism in practice.

Mr. Houston: Why?

Mr. CAMPBELL: It had nothing to do with socialism. It was the sensible action of a Government—

Mr. Houston: That is what socialism is all about.

Mr. CAMPBELL: It was the sensible action of a Government committed to support the principle of free enterprise. Recognising the cataclysm that had overtaken these people, it made \$4,000,000 available to 400-odd beneficiaries. A free-enterprise Government acknowledged that they would have gone to the wall if it had not taken that action.

I am sorry that I have had to clash with my friend the member for Bulimba. I do not want to expand the debate, but I have a very intimate knowledge of the hundreds—in fact, thousands—of businesses that went to the wall as a result of import policies, devaluation and other things that were done during the catastrophic Whitlam era. I do not want to introduce a discordant note, because I might stir up the Committee if I do so. However, I could not let the comment by the honourable member for Bulimba go unanswered.

I listened to the Leader of the Opposition earlier today and, if I might say so, I almost vomited when I heard his apologia for the problems that have beset Australia as a result of the disastrous policies followed during the Whitlam era. Earlier in this debate I acknowledged—and the honourable member for Bulimba will give me credit for this—that officers of the Whitlam Government had shown great alacrity in combining with the Queensland Government in this essential rescue operation. I did not wish to become involved in a political disputation, but I could not allow the honourable gentleman's comment to pass.

Motion (Mr. Campbell) agreed to.

Resolution reported.

FIRST READING

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

The House adjourned at 11.1 p.m.