

Queensland



Parliamentary Debates  
[Hansard]

**Legislative Assembly**

**TUESDAY, 8 MARCH 1977**

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# Parliamentary Debates

[HANSARD]

Legislative Assembly

THIRD SESSION OF THE FORTY-FIRST PARLIAMENT—continued

(Second Period)

TUESDAY, 8 MARCH 1977

Under the provisions of the motion for special adjournment agreed to by the House on 9 December 1976, the House met at 11 a.m.

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

## ASSENT TO BILLS

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

- Clean Air Act Amendment Bill (No. 2);
- Land Tax Act Amendment Bill;
- Pharmacy Bill;
- Water Act Amendment Bill;
- Mining Act Amendment Bill (No. 3);
- Coal Mining Act Amendment Bill;
- Pay-roll Tax Act Amendment Bill;
- Albert Shire Council Budget Adjustment Bill;
- Nursing Studies Bill;
- Fisheries Bill;
- Industrial Conciliation and Arbitration Act Amendment Bill (No. 2);
- Superannuation Acts Amendment Bill;
- Local Government Grants Commission Bill;
- City of Brisbane Act and Another Act Amendment Bill;
- Local Government Superannuation Act Amendment Bill;
- Nursing Bill;

Medical Act and Other Acts (Administration) Act Amendment Bill (No. 2);

Health Act Amendment Bill (No. 2);

Petroleum Act Amendment Bill;

Business Names Act Amendment Bill;

Urban Passenger Service Proprietors Assistance Act Amendment Bill;

Crown Appointments Declaratory Bill;

Succession and Gift Duties Abolition Bill;

Main Roads Act Amendment Bill;

Fauna Conservation Act and Another Act Amendment Bill.

## RESERVATION OF BILLS FOR ROYAL ASSENT

Mr. SPEAKER reported receipt of a message from His Excellency the Governor intimating that the following Bills had been reserved for the signification of Her Majesty's pleasure:—

Constitution Act Amendment Bill;

Governors' Pensions Bill.

## MEMBERS SUFFERING INJURY OR SICKNESS DURING RECESS

Mr. SPEAKER: Honourable members, the Honourable John Herbert, Mrs. Kyburz and Mr. Chinchen are present in the Chamber today. Each of them had the misfortune to be suffering from either sickness or injury during the recess. I am sure that all honourable members join with me in wishing them a complete recovery and continued good health.

## ELECTIONS TRIBUNAL

JUDGE FOR 1977

Mr. SPEAKER announced the receipt of a letter from the Honourable the Chief Justice intimating that the Honourable Mr. Justice J. D. Dunn would be the judge to preside at the sittings of the Elections Tribunal for 1977.

## PAPER PRINTED DURING RECESS

Mr. SPEAKER: I have to report that the following paper was ordered to be printed and circulated during the recess:—

Report of the Commissioner of Main Roads for the year 1975-76.

CIRCULATION AND COST OF  
"HANSARD"

Mr. SPEAKER announced the receipt from the Chief Reporter, Parliamentary Reporting Staff, of his report on the circulation and cost of "Hansard" for the session of 1975-76.

## PAPERS

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

Report of the Water Quality Council of Queensland 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.

Nursing Studies Act 1976.

Pharmacy Act 1976.

Nursing Act 1976.

Medical Act and other Acts (Administration) Act Amendment Act 1976 (No. 2).

Griffith University Act 1971-1973.

Acquisition of Land Act 1967-1969 and the State Housing Act 1945-1974.

Orders in Council under—

State and Regional Planning and Development, Public Works Organization and Environmental Control Act 1971-1974 and the Local Bodies' Loans Guarantee Act 1923-1975.

Audit Acts Amendment Act 1926-1971.

Medical Act 1939-1976.

Explosives Act 1952-1975.

Metropolitan Transit Authority Act 1976.

The Newstead House Trust Act of 1939.

The Rural Training Schools Act of 1965 and the Local Bodies' Loans Guarantee Act 1923-1975.

Co-operative Housing Societies Act 1958-1974.

The Supreme Courts Act of 1921.

District Courts Act 1967-1976.

Magistrates Courts Act 1921-1975.

Regulations under—

Public Service Act 1922-1973.

Chiropodists Act 1969-1975.

Explosives Act 1952-1975.

Health Act 1937-1976.

Traffic Act 1949-1975.

State Transport Act 1960-1972.

Main Roads Act 1920-1975.

State Housing Act 1945-1974.

Auctioneers and Agents Act 1971-1975.

Valuation of Land Act 1944-1975.

By-laws under—

Medical Act 1939-1976.

Education Act 1964-1974.

Statutes under—

Griffith University Act 1971-1973.

James Cook University of North Queensland Act 1970-1974.

Rule under the Coroners Act 1958-1976.

Income and Expenditure Accounts for the year 1973-74, Statement of Accounts for the years 1974-76, and Balance Sheets for the years 1973-76 of the Parliamentary Contributory Superannuation Fund.

Report of the Dumaesq-Barwon Border Rivers Commission for the year 1975-76.

## MINISTERIAL STATEMENTS

AMENDMENT OF STATEMENT ON POLICE  
OPERATIONS AT CEDAR BAY

**Hon. T. G. NEWBERY** (Mirani—Minister for Police) (11.16 a.m.): I refer to an allegation made against me since this House adjourned on 9 December 1976 by the Honourable the Leader of the Opposition, who claimed that I misled this Parliament in a portion of a ministerial statement I made on 8 September 1976, wherein I stated—

"It is also a fact that the attendance of the naval patrol vessel H.M.A.S. "Bayonet" was considered necessary because of the unusually large number of trawlers reported to be in the area—some of which were suspected of drug-trafficking. This House should be informed that, although no evidence of drugs was found on any vessel, a number ran from the patrol boat and had to be chased before a search could take place".

I should like to inform honourable members that my statement was based on information supplied to me at that time through the office of the then Police Commissioner. The information was passed on to this Parliament in good faith. There was no evidence at that time which would have caused me to doubt the authenticity of this information.

Subsequently, on 10 December 1976, the Minister for Defence, providing an answer for a question in the Senate, indicated that

H.M.A.S. "Bayonet" did not actually search any trawler during the Cedar Bay operation. In the light of this new information, it is appropriate that my original statement be amended in this respect.

I want to assure all honourable members that my statement regarding the activities of H.M.A.S. "Bayonet" was made in strict accordance with information made available to me at the time and that I did not attempt to mislead this House by passing on that information.

**Honourable Members** interjected.

**Mr. SPEAKER:** Order! The House will come to order. I warn honourable members that I will not tolerate persistent interjections.

#### CHOLERA OUTBREAK

**Hon. L. R. EDWARDS** (Ipswich—Minister for Health) (11.18 a.m.): I wish to advise the House that over the past two weeks the Queensland Health Department has been dealing and is still dealing with a unique public health problem, which at the present time is still unsolved, although our scientists are hopeful of reaching a conclusion.

The diagnosis of cholera in a 56-year-old woman patient last month in the Princess Alexandra Hospital set in train probably the greatest public health hunt in the history of Queensland and, indeed, Australia. Certainly not since the tragic 1974 flood have so many Health Department and other officers been involved in the one problem.

I would like to point out to honourable members that the presence of virulent infectious disease such as cholera is frightening because, uncontrolled, an epidemic might quickly sweep through the community. Cholera in overseas countries is a most debilitating disease and in the past has been in the biological warfare arsenal. Fortunately in a country such as ours, with treatment readily available, the effect is not so disastrous.

Through the vigilance and expertise of the pathology staff at the Princess Alexandra Hospital, cholera was suspected with our woman gastro-enteritis patient, and then successfully tested for. From that time we were sitting upon a potential biological time bomb. The first procedure was to track down the woman's contacts, because she had not been overseas for some 13 years. For a time we suspected that she may have carried the organism dormant, and that it had been triggered off by another unrelated illness. However, following the first water-supply tests, we were then aware that the problem could be far greater. Our worst fears were realised, with the entire Beenleigh water supply being found to be contaminated. Rapidly an alternative water source was introduced and the old source completely sealed.

The exposure to the cholera organism was potentially wide and public health restrictions on water usage were introduced. Let me say

that the fact that no further cases have been forthcoming to this time indicates the generally high standards of health that we have within our community. We could have expected many more cases, but most fortunately the virulence of the strain was such that the general good health of the community saw them unaffected.

During this time the water-testing continued; day after day our scientists trekked through the whole Albert River area in what has so far been a fruitless hunt for the source of the cholera contamination. These men will continue their water-testing for some several weeks.

At this time I wish to pay tribute to the staff of our two hospitals involved—the Princess Alexandra and the Royal Brisbane—who detected and cared for our cholera patient and her husband, who, while having had the organism identified, at no time showed any illness to the disease, and the five other gastro-enteritis patients who were tested and subsequently cleared. I also wish to pay tribute to my Director-General of Health and Medical Services (Dr. P. R. Patrick), who directed both the field and laboratory scientists. In no small way, the competence of Dr. Patrick and his team, in moving quickly and efficiently, allayed the potential community fear that might have developed. I also pay tribute to the work of the laboratory scientists—Dr. Barbi Rao at Princess Alexandra Hospital, who first suspected cholera and identified the organism; Dr. John Tonge, who heads the Laboratory of Microbiology and Pathology, and his staff, who worked all hours to bring off tests; and Mrs. Yvonne Cossins, the senior bacteriologist at the laboratory, who had her first day off last Sunday in her work of culturing the cholera samples.

Also, for their work in the field, I mention Dr. Rod Rogers of the Director-General's staff, and the Chief Inspector of Environmental Sanitation (Mr. George Cuffe), who with their teams tirelessly tested and searched the Albert River region from Beenleigh right to its source in the jungles of the mountains above the Gold Coast.

In this regard it is most appropriate that I pay tribute to the Press and the other media resources of this State, who in their extensive coverage of this event at no time resorted to unnecessary sensationalism as they reported the day-to-day developments to the public. Too often the Press are condemned for overstating a situation, but during this potentially most serious epidemic situation the journalists, photographers and cinematographers played no small part in the management of the incident. They kept the public fully aware of all developments and I am certain that, in doing so, helped to allay the fears in the minds of many people.

I would also pay tribute to my Press secretary (Mr. Peter McCall), whose efforts in this problem have been outstanding. He has worked long hours in liaison with the

Press, and the responsible manner in which this has been carried out by Mr. McCall has helped to create a very responsible and balanced account.

The Commonwealth Government provided epidemiological expertise, and the Defence Department co-operated in testing in its region, which for some time was considered a possible source area.

Other State Government agencies assisted greatly in investigations into the source of contamination. The councillors and staff of the Albert Shire Council also played a major front-line role in implementing many public health measures during the crisis and provided great assistance to the health investigations. The honourable member for Albert (Mr. Gibbs) showed great interest in this problem at all times. I am certain that all local authorities will carry out our request for a full check of the states of their water resources for cholera contamination. Shortly we will be further sampling any suspect water sources identified by local authorities to negate potential risk areas.

Good water is an essential requirement and I am certain that, with this incident in our memory, the vigilance by local authorities on their water supplies will never be relaxed.

In the health sphere, vigilance to good health practices can never be relaxed for, while we are a healthy nation, there is always the possibility of a fall down in standards, resulting in a tragedy.

This Beenleigh incident is to be extensively documented for the medical and scientific records of this State and this nation, and indeed the world because it is a unique medical experience. Australia has had previous cholera cases, but all of them have been traced to the introduction of the disease by aircraft. In this case, the introduction at present remains a mystery, but its warning is clear.

Queenslanders can certainly feel extremely proud of its public health service, which by expertise and hard work has prevented to this stage an extremely serious situation from developing.

#### DECLARATION OF HINCHINBROOK AND CARDWELL SHIRES AS DISASTER AREAS

**Hon. J. BJELKE-PETERSEN** (Barambah—Premier): I inform the House that, in view of the very serious flood condition in North Queensland, the Government has this morning declared the Hinchinbrook and Cardwell Shires disaster areas so that all possible assistance can be given in every direction.

#### PETITIONS

##### CONSTRUCTION OF HOSPITAL AT WYNNUM

**Mr. BURNS** (Lytton—Leader of the Opposition) presented a petition from 625 electors of Brisbane praying that the Parlia-

ment of Queensland will take the necessary steps in the current session of Parliament to provide funds for land planning and initial construction of a hospital at Wynnum as a matter of urgency.

Petition read and received.

##### BOAT HARBOUR MOORING CHARGES

**Mr. CASEY** (Mackay) presented a petition from eight citizens of Queensland praying that the Parliament of Queensland will reduce immediately the exorbitant charges which are levied against mooring holders in boat harbours.

Petition read and received.

#### QUESTIONS WITHOUT NOTICE

##### INCLUSION OF RAIL FREIGHT COMPONENT IN CONSUMER PRICE INDEX

**Mr. BURNS:** I preface a question to the Deputy Premier and Treasurer by referring to the rail freight increases announced by the State Government in its past two Budgets and the adverse effect of such moves on the cost of living in provincial and country centres. Is he aware that the Consumer Price Index, by which inflation is measured and upon which wage indexation is based, is restricted to Brisbane in Queensland, thereby eliminating the main impact of freights from the index? As the Prime Minister has indicated that he is anxious to alter the composition of the index, will the Treasurer approach the Federal Government with a view to having either Townsville or Cairns in the North and a western centre, perhaps Mt. Isa, Longreach or Charleville, included in the index in order to obtain a more realistic assessment of cost of living fluctuations?

**Mr. KNOX:** It so happens that I have here the last bulletin from the Bureau of Statistics with a full analysis of the figures and the items in the index. I point out to the Leader of the Opposition, who apparently has not had the fact brought to his notice or is not aware of it, that the information that goes into this index comes out of a "basket of goods", as it is described, which includes, of course, a lot of items for which people in other parts of Queensland pay varying amounts. So one cannot look at a single item and say that, because its price has increased, then the index itself would have gone up in any particular locality.

**Mr. Burns:** You need to check the whole basket.

**Mr. KNOX:** One needs to check the lot before claiming that because one item has influenced one part of the index, then the whole basket would go up. So the statement by the Leader of the Opposition that the increase in rail freights would lead to

the index being higher in those parts of Queensland outside Brisbane is not a valid one.

#### FEDERAL TAX REIMBURSEMENTS TO STATES

**Mr. BURNS:** In addressing a question without notice to the Deputy Premier and Treasurer, I refer to proposed changes in the relativities under the new federalism for the reimbursement of 33.6 per cent of the tax pool to the States and the formula upon which Queensland receives its portion. I ask him: Can he outline what proposals he has put forward to the Prime Minister and his Treasurer for Queensland's future allocations and does he accept that the Federal Grants Commission is a suitable body to carry out a review of the existing relativities?

**Mr. KNOX:** I would like to make a full statement on this and if the honourable gentleman cares to put his question on notice, I will do so tomorrow.

**Mr. BURNS:** I do so accordingly.

#### PURCHASE OF SECOND-HAND AND SPEC HOUSES BY QUEENSLAND HOUSING COMMISSION

**Mr. HALES:** I ask the Minister for Works and Housing: As the Queensland Housing Commission has recently purchased houses from spec builders, will he consider allowing the commission to continue these purchases, as well as purchasing second-hand houses of good quality to help meet the demand of people on the Housing Commission waiting list?

**Mr. LEE:** Firstly I should like to say that I am not prepared to give permission to purchase second-hand houses, but I believe that, as the Queensland Government, it is our job to help the building industry, which we have done by the recent purchases of spec homes and the building programmes that we have embarked upon, particularly with the \$10,000,000 that the Treasurer put into the Housing Commission.

Yes, I will give consideration to the purchase of more new or unused homes from spec builders.

#### FLOOD RELIEF, FAR NORTH QUEENSLAND

**Mrs. KIPPIN:** I ask the Premier: In view of the serious reflooding in Far North Queensland, will he please press the Federal Government to expedite its decision on Queensland's submission for financial assistance for people affected by the series of national disasters the Far North has suffered over the past month or so?

**Mr. BJELKE-PETERSEN:** I can assure the honourable member that North Queensland will not be neglected. We are taking a close interest in this situation as well as every

action that it is possible for us to take. I am planning to leave early on Thursday morning so that I can spend the day in the North, just as the Deputy Premier did earlier when a serious situation arose. The Government is following all developments very closely and I intend to give them my personal attention. As I have already indicated, certain parts of North Queensland have already been declared disaster areas.

#### HANDLING OF PORTFOLIO BY MINISTER FOR PRIMARY INDUSTRIES

**Mr. CASEY:** I ask the Premier: Is he aware of the constant criticism that is being levelled by certain powerful sections of the beef and sugar industries as well as by very knowledgeable sections of the dairying industry, such as those in the Barambah electorate, at the Minister for Primary Industries for the way in which he is handling his portfolio? If so, will he take action on the call of those sections of those industries for the sacking of the Minister for Primary Industries? Or does he support the Minister's actions 100 per cent?

**Mr. BJELKE-PETERSEN:** Naturally, I support the Minister 100 per cent in the way he carries out his duties. Apparently the honourable member for Mackay does not realise the nature of the extremely difficult situations that arise. One thing that he must learn, as all of us have learned, is that we cannot please all the people all of the time. There are so many angles to the question. The honourable member seems to please Opposition members at the present time but how long that will last I would not know.

The Minister has carried out very effectively and efficiently a very difficult portfolio covering over 100 Acts relating to so many areas. I have been very closely concerned with many of the problems indicated by the honourable member and I know that the Minister has dealt with them as well as any of us could.

#### WYNNUM HOSPITAL AND HEALTH SERVICES

**Mr. LAMOND:** I ask the Minister for Health: Is he aware of my continued and strenuous representations over the past years on behalf of Wynnum residents for hospital and health services, and what steps has he taken relative to them?

**Dr. EDWARDS:** I am well aware of the constant representations made by both the honourable member for Wynnum and the honourable member for Redlands concerning the hospital and health services in those areas. I assure the House that both honourable members are vitally interested in the health and welfare of their electorates. Those honourable members are unlike a member of the Opposition who is more interested in perpetuating wooden beer casks in a

certain area and has shown no interest in the health and welfare of that area. The honourable members for Wynnum and Redlands have made constant representations about these facilities and the Government has undertaken a large health and welfare programme associated with their areas. Following representations of both the honourable member for Wynnum and the honourable member for Redlands, Cabinet will be studying a submission for the development of additional health services in the hospital field and I hope to put that submission to Cabinet in the next few weeks.

#### MILK QUOTAS

**Mr. FRAWLEY:** I ask the Minister for Primary Industries: Can he assure the House that the story being circulated by members of the Opposition that the recent 5 per cent reduction in milk quotas of farmers in South-east Queensland was only the first step to a further reduction is completely untrue? Is he aware also that the Leader of the Opposition has stated that if Labor gains Government in Queensland the present milk quotas will be further reduced and the milk industry in this State will be socialised?

**Mr. SULLIVAN:** In reply to the first part of the question, I assure the honourable member and the House that the statement about further reductions in quotas is completely untrue.

In relation to any action that may be taken by the Leader of the Opposition at some future time, we have seen what has happened to the dairying industry in New South Wales since a Labor Government took office there. It has shown a complete disregard for those people who over a lifetime invested in building up their assets in the dairying industry. If by some freak accident Labor became the Government in Queensland it would not surprise me at all if it did the same thing to the dairying industry here. After all, Gough Whitlam did it from Canberra. For the sake of the industry in Queensland, I hope that Labor never again occupies the benches on this side of the House.

#### THREATENED DEMONSTRATION DURING QUEEN'S VISIT

**Mr. FRAWLEY:** I ask the Premier: Is he aware that the member for Archerfield and his Chilean Communist group have been reported as planning a demonstration during the visit to Brisbane of Her Majesty the Queen? Further, can he assure the House that adequate precautions have been taken to prevent this anti-Royalist and his group of traitors from staging a demonstration?

**Mr. BJELKE-PETERSEN:** I do not know if the honourable member for Archerfield would be so foolish as to become mixed

up in a demonstration by Communists against Her Majesty. On the other hand, of course, we never know. However, I assure the honourable member and others in the Chamber that every precaution will be taken. I am aware that there are people who are attempting to organise something along those lines; but I think the general enthusiasm that will be shown by the Queensland public generally to Her Majesty will demonstrate to the people of Australia the very high regard in which she is held here.

**Mr. Wright:** Why don't you give the school kids a holiday? Why don't you be consistent?

**Mr. SPEAKER:** Order! If the honourable member for Rockhampton does not behave himself, he will be taking a holiday today.

**Mr. BJELKE-PETERSEN:** I was concluding by saying that I am sure the interest and enthusiasm shown towards Her Majesty during her tour will once again demonstrate to the people of Australia that Queenslanders have a great affection for her personally and, naturally, strongly support the system of Government and the constitutional way of life that we have inherited from Britain.

#### DOCTOR'S RESIDENCE AT AUGATHELLA

**Mr. TURNER:** I ask the Minister for Health: Can he indicate what are the latest developments in relation to the construction of a new doctor's residence and surgery at Augathella?

**Dr. EDWARDS:** Some time ago the honourable member invited me to his electorate and we inspected the problems associated with the doctor's residence at Augathella. Following the visit I approved the preparation of sketch plans for a new residence in the area. These plans have recently been forwarded to my department and to the Works Department and I have been advised that a check estimate of the costs of the residence is in order. I hope to give approval for the formal development of working drawings and specifications within the next few days, and it is hoped that, following the honourable member's representations regarding this matter, construction will commence in the near future.

#### CHOLERA OUTBREAK

**Mr. MOORE:** I ask the Minister for Health: As there were a number of cholera cases in the American Army at Camp Cable during the last war and as water from this area drains into the Albert River, have the disused cesspits, which were covered by timber and have now either fallen in or been filled with water, been investigated? Is the El Tor strain of the *Vibrio cholera* the same strain as that which occurred at Camp Cable?

**Dr. EDWARDS:** I am aware of the various aspects of the cesspits that were constructed in the area during the war as stated by the honourable member. These areas have been inspected by my department and samples taken from most of them. I cannot give him a specific answer as to whether the test was positive in that particular area where it drains into the Albert River, but I shall certainly check the information and give him an answer.

As to his question whether it is the same cholera strain—we have forwarded specimens to the Reference Laboratory of the World Health Organisation at Calcutta to ascertain this. That is the reference laboratory for cholera strains throughout the world. When we receive the information from the laboratory we will have the strain identified and, we hope, the degree of virulence and the phage type, and so will be able to determine whether or not it is the same type as the organism that was in the particular area earlier.

I assure the honourable member that we have been in touch with world health organisations that have coded all types of outbreaks throughout the world. References have been made, but at this stage we are unable to establish any link with the earlier cases.

#### CHOLERA OUTBREAK

**Dr. CRAWFORD:** In asking the Minister for Health a question without notice, I first of all indicate that I am delighted to hear that the Calcutta assessment of strains is being made. We have had trouble with cholera in the past with Australians being immunised for the wrong strain of cholera when they have been sent for service overseas. On that subject in general I ask the Minister: Concerning the current search for the source of the cholera outbreak in the Beenleigh area, can he categorically assert that broken sewerage pipes recently mentioned in Beenleigh are in no way involved? Geographically are these broken pipes located in the area whence the cultures of *Vibrio cholera* were obtained?

**Dr. EDWARDS:** I am very pleased that the honourable member has asked this question. The particular gentleman who originally asked it and stole front-page headlines throughout Australia, saying that he knew the cause of this particular incident, said that he was an industrial chemist. This matter has been fully investigated. He is not an industrial chemist but in fact works as an orderly at one of our hospitals and has no knowledge whatsoever of the particular incident.

The same man said on television and in the Press that he had written to me and that I had written back to him stating that there was no chance that there would be an outbreak of cholera in Australia, that it was absolutely impossible that this should occur. It is true that in November he rang my

office and said that there were broken sewerage pipes on his property adjacent to a sewerage main and asked if I would have officers make an inspection. No mention was made of cholera at that time. I did arrange for my officers to go down together with local authority representatives from the Albert Shire Council and the pipes were inspected. I wrote back to the man early in November. I am quite happy to table a copy of all the documentation. I wrote back to him indicating that the pipes had been inspected by local authority inspectors and by my own inspectors and pointed out that they were in accordance with the regulations laid down by the local authority and the Local Government Department. When faced with this information the gentleman said that he thought it must have been another Health Minister to whom he had addressed the question.

It causes me great concern as Minister that so many people have jumped on the bandwagon and made all kinds of assertions. I thank the honourable member for bringing this to the attention of the Parliament to allow me to reply that there is no chance that an allegation of that kind is correct. Every suggested source has been referred to my department. We appreciate the support that the public has given us in this particular way. I refer to the medical profession and other people in the area. In fact something like 300 suggestions have been referred to the department and every one of them has been fully investigated. At this stage, unfortunately, we are still unable to pinpoint the cause of the contamination, although we have isolated where it is probably occurring.

**Dr. CRAWFORD:** Are there any broken pipes in that area?

**Dr. EDWARDS:** All broken pipes that have been reported have been fully investigated. In fact every septic system that has been installed in that area has been fully investigated. Aerial photographs of the area were taken by the R.A.A.F. as recently as last week from a height of 300 to 500 ft. Every site that could be a possible source of contamination has been investigated and tests taken.

#### HOSPITAL MEALS FOR NURSES AND STAFF

**Mr. HARTWIG:** In asking a question of the Minister for Health, I refer to a recent request directed by his department to country hospital boards throughout Queensland that they cease serving meals to nurses and staff. As this will impose some difficulties on staff and compel nurses to leave the precincts of hospitals to obtain meals, will the Minister elaborate on the request?

**Dr. EDWARDS:** Cabinet recently made a decision on the supply of meals to nursing personnel who live out, not to those who live in. The decision is being implemented

throughout the whole of the State over a lengthy period. Some hospitals in provincial areas such as Townsville and, I think, Rockhampton and Mackay, have phased in this practice over the years and it has worked reasonably well. Where difficulties arise, we have asked boards to look at them and come back to us. We have also asked boards to encourage kiosks and canteens to provide meals. Cabinet has given us authority to look at specific cases where this is not possible.

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

### MOTION FOR ADJOURNMENT

#### UNEMPLOYMENT AND ECONOMIC INSTABILITY CAUSED BY FEDERAL GOVERNMENT POLICIES

**Mr. SPEAKER:** I have to announce that I have received the following letter from the Leader of the Opposition:—

“Leader of the Opposition,  
“Parliament House,  
“Brisbane, 4000.

“7 March 1977.

“The Honourable the Speaker

“Mr. J. Houghton, M.L.A.

“Parliament House

“Brisbane

“Dear Mr. Houghton

“I beg to inform you that in accordance with Standing Order 137 I intend this day, Tuesday, 8 March, 1977, to move that this House do now adjourn.

“I move this motion to give the Parliament of Queensland the immediate opportunity to discuss a definite matter of urgent public importance, namely the threat to the jobs of thousands of Queenslanders and the threat to the economic stability of small business and rural industries in this State posed by the mismanagement and incompetence of the Fraser Liberal-National Party Government.

“To explain the reason for moving this motion I point out that—

\* I believe that this debate is urgent because of the release on Friday, March 4, of unemployment figures that show that the record post-depression unemployment figures in Queensland for January 1977 of 55,147 have only diminished by 450 whereas twelve months previously the drop had been 4,909. These figures show 6.38% of the State's workforce was registered for jobs at the end of February.

\* I believe this House must debate urgently the threat to the employment of Main Roads workers throughout the State and the threat of higher charges to the State's 1,100,000 motorists by the failure of the Liberal and National Parties, State and Federal, to achieve adequate Commonwealth road funds for Queensland.

\* I believe a debate is needed urgently to discuss the threat to the urban electrification programme posed by the failure of the Liberal and National Parties to honour guarantees made by the previous Labor Government in relation to the electrification of the city's rail services.

\* I believe this House must debate urgently and place on record its condemnation of the Liberal and National Party Government's failure to control inflation—failure to reduce home interest charges—failure to act on its promise on wage indexation—failure to act on its promise of tax reform—failure to provide economic stability for the State's small businessmen and farmers—failure to reduce indirect taxes that fall more heavily on decentralised Queensland than other States—failure to protect rural and manufacturing industries from imported cheap manufactured and rural goods—failure to control price rip-offs—failure to maintain proper welfare services for the aged, the infirm and the sick—failure to provide adequate assistance to Queenslanders adversely affected by natural disasters.

“Mr. Speaker, I believe that as this Parliament resumes today after a break of three months that the most urgent problem facing our fellow Queenslanders is the state of the economy, the alarming increase in unemployment, the disastrous effects of Fraser federalism and I seek your leave in allowing the House to debate this most urgent matter.

“With best wishes

“Yours sincerely

“Tom Burns.”

I have considered the subject-matter and I feel that it is one of great importance. I believe that it should be debated, and I shall allow that to happen.

*Not fewer than five members having risen in their places in support of the motion—*

**Mr. BURNS** (Lytton—Leader of the Opposition) (12.29 p.m.): I move—

“That the House do now adjourn.”

My letter to you, Mr. Speaker, in support of this urgency motion is, I believe, self-explanatory. Today this Parliament is being asked to stand up for Queensland and Queenslanders against aggressive, depressive Federal policies that have reduced Queensland to the worst state of economic misery it has experienced since the dark days of World War II and the depression before that.

**Mr. Frawley:** Rubbish!

**Mr. BURNS:** I hope that the honourable member who says my statement is rubbish, will get up and support the Federal Government and its policies. It is time to protest against the selfish, heartless style of federalism that, inside 15 months, is distinguished only by its discredit, dishonesty and absolute failure.

Today is the opportunity to voice our concern—indeed, our disgust—at the deliberate pursuit of policies that have already created record post-war unemployment and now threaten to prolong it. No Parliament representing this State can remain silent while 54,697 Queenslanders are out of jobs, while school-leavers line up in the dole queues and while tradesmen, some with 20 years' experience, have been thrown mercilessly upon the unemployment scrap-heap.

**Mr. Moore:** Which tradesmen?

**Mr. BURNS:** For example boilermakers and sheet metal workers. If the honourable member denies it, he should go out to Commonwealth Engineering and G.E.C. and talk to them.

Last month's figures, published on 4 March 1977, showed that chronic, long-term unemployment is worsening without visible improvement in job vacancies. The headlines read that jobs are picking up slowly. To anybody waiting in the dole queue, they are picking up far too slowly, as they are for my liking, and for those who have put hard work into industry for years, only to be thrown onto the scrap-heap through Government mismanagement.

The insignificant fall of 450 in registrations, compared with 4,909 in the same month last year, reflects nothing other than the number of disillusioned school-leavers being forced, through frustration, to return to school. I believe that we must act today before this fanatical federalism, so disastrous in its infancy, is allowed to creep into adolescence with its ominous provisions for double taxation in this State. If final proof is needed of the urgency of this motion it came last week-end from the Local Government Minister (Mr. Hinze) who, on the front page of "The Sunday Mail", was reported as returning unsuccessfully from a discussion with one of his Federal colleagues. I should like him to look back through "Hansard" to see what he said during 1975 about roads. He said they would be bitumen from coast to coast as long as we got rid of the wicked Whitlam Government. But last week-end he said, "The Federal Government's road grants scheme is a flop." He threatened the people of Queensland with higher registration fees and other higher charges on their cars. As far as I am concerned, the entire concept of this new federalism, welcomed with such unrestrained applause in 1975 by the Liberal and National Parties, is a flop.

**Mr. HINZE:** I rise to a point of order. Unfortunately I have to remind the Leader of the Opposition that, as usual, his statements in this regard are incorrect. I did not threaten Queensland motorists. When I was asked about the possibility of an increase in registration fees, I said that this would be one of the avenues, along with a number of others put to me, that may be considered. I did not threaten Queensland motorists.

**Mr. SPEAKER:** Order! I ask the Leader of the Opposition to accept the Minister's denial.

**Mr. BURNS:** I accept his denial. But he did not issue a denial in "The Courier-Mail" on the Monday, which he should have, after the story appeared on the Sunday. So it still stands so far as the newspapers are concerned. I accept his denial that he did not threaten motorists, although the newspapers have reported it that way and it has not been changed.

Inside 15 months we in Queensland have reached our highest figure for unemployment since the war; our highest inflation in 25 years; and our highest interest rates and taxes in living memory. Now the Queensland Treasurer wants taxes or interest rates to be reduced.

There is a savage Medibank levy for health services which were previously free, a levy which thousands are compelled to pay even though they have no local doctor or hospital. The Medibank levy has to be paid even by people living in areas where there is no hospital and no doctor.

Small business, already punished by retail consumer recession, is squeezed still further by the call-up of \$875,000,000 from trading bank funds since November. This vital small business sector, which is responsible for over 42 per cent of Australia's work-force, is prised by the Government away from the banks where it can obtain funds at reasonable rates of interest and is forced to use fringe lending institutions with their higher rates.

In "The Courier-Mail" on 3 March, the president of the Queensland Pharmacy Guild (Mr. T. White) disclosed that 500 Australian pharmacies closed last year because of economic depression in the industry. I am informed that a number of country centres in the State now lack a chemist and others face a similar fate, so that some towns do not have a doctor or a chemist. Yet we hear talk about the beneficial effects of Liberal-Country Party policies!

Federal grants to Queensland, totalling \$27,000,000 in 1975-76 for R.E.D. and special unemployment relief, have vanished and the Backlog Sewerage Program has been cut from \$15,000,000 to \$3,200,000. Real spending is down by \$3,500,000 from the Reforestation Trust Fund and by \$3,000,000 in assistance to Aborigines. The Government talks of tariff protection, but local tobacco quotas are being cut while imports stream into the country, and Federal assistance to beef producers is back \$4,400,000 in actual money.

The pace of Brisbane's rail electrification project—the first stage from Darra to Ferny Grove was due to be in operation this year—has slowed and 1975 guarantees to reduce taxation and interest rates have been brutally dishonoured. There is still no sign of the promised rural bank. And I see a statement this morning that even

the State bank promised by the State Government has been shelved. The lone contribution by the Federal National Party leader (Mr. Anthony) to country areas since his recent illness was a recommendation of steep petrol price increases.

Wage indexation has been abbreviated and assurances to pensioners of compensation for cost-of-living rises were betrayed within two months of the election. Home interest rates, which the Liberal-National Parties undertook to lower, went up three times last year, forcing a couple with a \$25,000 loan to repay an extra \$7 a week.

Nursing homes have suffered financially, sporting grants have been cancelled, and now there are threats to vary the welfare housing agreement, forcing crippling cost burdens on Housing Commission tenants. The Fraser Government's response to this deepening depression of its own political manufacture was to juggle the figures to conceal the true level of unemployment. Now, according to reports, it is attempting a similar unproductive exercise in statistical surgery on inflation and the Consumer Price Index.

In 1975 the Liberal-National Party slogan was "Turn on the lights". Today in its stead I would suggest, "If you can't beat 'em, cheat 'em. Rig the figures and rig the books." That is what Mr. Fraser has been doing in this exercise. I submit that through this motion Parliament today has the opportunity on behalf of all Queenslanders to register its concern and distress. It is no use the Fraser Government trying to disguise its guilt behind insincere, cynical attacks on the trade union movement.

Statistics show that the workers of Australia have behaved with patience and restraint in response to a Government intent on the erosion of real living standards and prepared to break promises without conscience. The facts are shown in the figures released last week. In the 12 months to November, 95 per cent of male wage increases and 93 per cent of female wage increases in Australia came through indexation, and I am told the figure in Queensland was even higher. So much for the sarcastic accusations by the Liberal-National Parties of sweetheart agreements and unions defying arbitration. Today is not the time to shelter behind artificial excuses and fragile, frantic evasion.

I want to quote word for word the policy speech of the Prime Minister on 27 November 1975. Let me remind Liberal and National Party members in this Parliament that Malcolm Fraser said—

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

In the same election campaign through highly expensive, publicly paid advertisements purporting to originate from the then four non-Labor State Premiers, the Queensland Premier laid two charges against the former Whitlam A.L.P. Government. I want

to quote from the "South Burnett Times" of 26 November, 1975, a newspaper circulated in the Premier's electorate. His first point was, "More than 300,000 Australians unemployed", and the second "Young people going straight from school to the dole queue." Then again on 26 February this year we had the Minister for Post and Telecommunications and former State Liberal Party President, Mr. Eric Robinson, complaining in "The Courier-Mail" on behalf of the Liberal Party that the unemployment figures were largely a myth.

Let me inform Mr. Robinson, the Premier and the Prime Minister that there is nothing mythical and nothing imaginary in the figures I intend to quote from the Commonwealth Government's own statistics for February. In that month there were 346,688 unemployed in Australia, which is almost 50,000 more than the number the Premier found offensive 15 months ago. This is 42,929 higher than in the same month last year and 48,921 higher than in February 1975, in the so-called dreaded days of Gough Whitlam. Still referring to February of this year, let me proceed further. In Queensland there were 54,697 unemployed, which is 43 per cent higher than the figure for November 1975 when Malcolm Fraser became the unconventional caretaker Prime Minister, and only 1,966 job vacancies.

I want to refer now to the employment situation in certain country and provincial districts of Queensland. The official statistics for February supplied by the Liberal-National Party Government reveal the following information:—

—	Unemployed	Vacancies	Ratio
Charleville ..	352	11	32:1
Townsville ..	3,407	78	44:1
Nambour ..	2,318	21	110:1
Cairns ..	3,904	39	100:1

A survey of 18 metal factories in South-east Queensland revealed a 26 per cent decline in jobs during the 16 months to the end of January. The situation has since worsened. Even apprentices are now threatened with stand-down.

On 4 March 1977, only a few days ago, "The Courier-Mail" newspaper reported—and I repeat the exact words—

"A record 50,000 school-leavers have registered for the dole since the start of December."

Not a word of protest from the vocal Premier, who, in late 1975 in the midst of an election campaign, was inspired to misuse the money of the taxpayers of Queensland to pretend complaint when the situation was more favourable than it is today!

Then, on 2 March this year, the "Telegraph" reported the problem of a woman whose telephone number was listed in the newspaper by mistake in an advertisement for a job and who received 20 inquiries in a short period in the morning. I have no doubt that Mr. Robinson believes that she was dreaming, that it was a myth. In Innisfail recently three apprenticeship positions drew 180 applicants.

Today this Parliament must warn the Prime Minister that the days of irrational, irresponsible experiment are over. Queenslanders are weary of dishonoured undertakings and demand results—results that he and all honourable members opposite promised; results that the Liberal and National Parties in this State assured and recommended on his behalf.

It is a shame that the Premier is too pre-occupied with his newly discovered Arabian delights to sense the humiliation of young Queenslanders who cannot find jobs, to examine the problems of small business and to feel the agonies of the primary producers he professes to represent. Our footwear industries are threatened with extermination by imports through reports of the Federal Government's Industries Assistance Commission. According to "The Courier-Mail" of 3 March this year, retail sales in Australia are down in real terms by a staggering 32.9 per cent—the largest drop since records began in 1964—under a Liberal-National Country Party Government.

In 1975 the Prime Minister promised—and I use his words—

"There will be no jobs for the boys."

Honourable members opposite will remember that. Since then, while he freezes Public Service employment, depriving young Queenslanders of job careers, two former Liberal Ministers have been resurrected from political obscurity—one from defeat, the other from retirement—to fill plushy diplomatic posts in London and The Hague. While Canberra enforces spending purges against pensioners and Main Roads construction, as the Minister for Main Roads and Electricity has told us, the Federal Housing Minister seconded an R.A.A.F. V.I.P. jet for two interstate Press conferences and the Defence Minister commandeered another to fly a crate of wine from South Australia to Parliament House. So much for the lack of extravagance! So much for jobs for the boys!

It is no wonder that Queenslanders are disappointed, disillusioned, bewildered and discouraged. Today the Liberal and National Party members, who possess the majority in this Parliament, have the chance to rescue them from the economic revival they so hypocritically promised 15 months ago. Honourable members opposite are being put to the test. We will see whether they stand up and are counted for Queensland or for their Federal counterparts in the South.

I believe that in the current crisis Governments, State and Federal, should be approving the controlled release of money for essential job projects and contracts. I do not think we should look only at the private sector. I invite honourable members opposite to go to Commonwealth Engineering or to General Electric, talk to the management there, and ask whether they can continue to exist without some controlled spending of money by Governments. These Queensland workers should be working on rail electrification projects.

Instead of worrying about digits and deficits, we should be placing Queenslanders in jobs. Unemployment, with the reduced consumer spending that it generates, further expands unemployment. There are contracts which can be advanced through State Governments, local authorities and private enterprise that will create employment, reduce the outlay in unemployment benefits, earn Consolidated Revenue through taxation and stimulate consumer activity. Likewise, we must examine protection for industries threatened by cheap imports, and the prospect of a means-tested pension at, say, age 63 years to establish job openings. It works with war pensions, because 30 per cent of the people who can accept the pension at 60 take it between 60 and 65. Why shouldn't we begin looking at the question of voluntary retirement, if that is necessary?

It is time now—not later—for the taxation and interest cuts that the Liberal and National Parties declared necessary in 1975 but now prefer to delay indefinitely.

(Time expired.)

**Mr. HOUSTON** (Bulimba) (12.44 p.m.): I am very happy indeed to support the motion moved by the Leader of the Opposition, because I believe that we must not forget, and the people of Queensland should not forget, that it was the State National-Liberal Government that worked so hard for the installation of the Fraser Government.

**Government Members:** Hear, hear!

**Mr. HOUSTON:** I am very pleased to hear honourable members opposite acknowledge that they still support the activities of the Fraser Government and the policy that it is now implementing. It is a policy which, of course, has brought unemployment to this State, increased the rate of inflation, caused misery in many families and denied young people the opportunity of having a job.

Honourable members opposite talk about providing education for the State's young people. The policies of the National-Liberal Government result in educating young people to the point where they leave school and stand in a dole queue. I do not want the people of Queensland to forget exactly the part the State Government has played.

We heard Dorothy Dix questions asked of Ministers who had little information

about the operation of the Whitlam Government. The questions were asked by Government members to give the Ministers an opportunity to blast some facet of the Labor administration. I am pleased to see that the Minister for Local Government and Main Roads is in the House. He would be one of the most vocal Ministers in Cabinet. He promised us all kinds of things. A few minutes ago he denied that he threatened to increase motor vehicle registration fees. I do not say that the Minister threatened that but he made it very clear to everybody that that will be Government policy in the next State Budget. I do not think there is any doubt about that at all. The Minister is not the type of person who says things off the top of his head. Not so long ago in statements in this House he promised that with a Liberal-National Country Party Government in Canberra there would be an improvement in the road construction programme. He said there would be plenty of money for road construction. Now, of course, he comes back from Canberra and says, "I virtually failed to get us the extra money." We will have a look at other things as we go along.

We were promised by the State Government that the present Federal Government would improve the inflationary position. We were told that within 12 months the inflation rate would be down to a single figure. Of course, the rate is still as high as ever. When Labor was in power the State Government as a matter of policy said, "We don't want hand-outs if there are any strings attached to them." On many occasions money was offered to the State Government to carry out particular projects in conformity with projects throughout the nation as a whole, but that money was virtually rejected. It did accept money for electrification. But have the Government's friends in Canberra honoured that agreement made with the Whitlam Government? Of course they haven't; they have broken it and the Minister for Transport in this State has made several announcements about cut-backs in Brisbane's electrification programme. Had that programme been proceeded with at the correct speed, it would have created many job opportunities. It would be providing work for people in many callings—from the professional down to the tradesman, from the semi-professional down to the labourer. Much more work would be available if that scheme were going ahead at the correct rate. Government members talk about the rate at election-time, but very little is done to maintain that rate when the election is over. If that project were proceeding at the correct rate, many of the young women out of work today would have a job. I notice that honourable members opposite are very quiet when we start to get down to things that affect them in their electorates.

At the opening of the electrification project the Minister for Transport told everyone the great speed with which the programme would be implemented. The reason

the project is not progressing is that Government members urged the people of Queensland to put the present Federal Government in power.

It has been said that there are dole bladders, that terminology originating in the Liberal-National Country Party. The term was coined to berate unemployed persons and lead those in employment to believe that anyone out of work did not want to work. Over recent months the Federal Government has instituted inquiries into unemployment and has tightened the control over the hand-out of unemployment benefits. It has laid down who may and who may not receive such benefits.

In February 67.7 per cent of unemployed persons were receiving unemployment benefits. That figure compares with 60.9 per cent in the previous month. In spite of the Federal Government's inquiries and investigations, the number of unemployed is increasing, as is the percentage of unemployed persons receiving unemployment benefits.

On a nation-wide basis the ratio of job vacancies to unemployed persons is 1 to 12. In Queensland, under this National-Liberal Party Government, the ratio is 1 to 27. In other words, for every 27 unemployed persons there is only one job vacancy. I can remember that some months ago when the Queensland ratio was not as high as that the Minister for Industrial Development, Labour Relations and Consumer Affairs, in answer to a question, said that the low ratio was due to the efforts of the Queensland Government. He claimed that thanks to the activities of this Government, Queensland's figures were not as bad as those in other States. When times are good he takes the credit, but when the facts became known and it was shown that Queensland had only one vacancy for every 27 unemployed persons he remained quiet. He did not come out and admit that the Government was responsible for that position.

Let me deal now with the number of people engaged in work in Queensland. The Premier has said that the State's unemployment figures are high because southern unemployed persons are coming to Queensland for its sunshine and other attractions.

**Mr. Lamont:** That's happening.

**Mr. HOUSTON:** I am not denying it; but let us look at the number of people in employment. That is the yardstick.

In November last year the work-force in Queensland numbered 624,900. In December, one month later, the number of persons registered in employment dropped by 5,600 to 619,300. How would Government members account for that? That drop in the work-force is not influenced in any way at all by the influx of unemployed persons from southern States.

As to the amount of money that people are earning—in the same period, the average wage fell by \$2 a week from \$181.20 to

\$179.20. In addition to a drop in the number of people in employment there is a fall in the average weekly wage earned.

Over the past 12 months the average wage rose by 11.8 per cent. The rate of inflation in Queensland, however, rose by 14.9 per cent. As the Leader of the Opposition has pointed out, because of long distances, transport problems and high freight charges—which increased by 40 per cent in 1975 and a further 15 per cent in 1976—our inflation rate does not reflect the true situation. The cost of living of those people who live outside the State capital and the south-east corner of the State is affected by freight increases, yet none of those freight increases are reflected in the cost of living figures.

(Time expired.)

**Hon. J. BJELKE-PETERSEN** (Barambah—Premier) (12.55 p.m.): Today we have witnessed a very hypocritical attitude and stance by members of the Opposition in moving this motion. I say that because the A.L.P. in Queensland and Australia is the greatest destroyer and wrecker of jobs and job opportunities that this nation has ever seen. Never before has there been any organisation that has wrecked so many jobs and job opportunities. I recall very vividly the conditions in Australia before Mr. Whitlam came to office. At that time we were enjoying a period of great prosperity and great opportunity throughout the nation. We were on top of the world in every respect. The nation was happy, the nation was contented and it was united. But then the A.L.P. Government gained office and set about destroying the economy, including that of primary producers.

In its first year in office, in one fell swoop, it took \$1,000 million from primary producers in the form of tax concessions that had been worked for and won over the years. That left the primary producers, as we see them today, down on their knees. The A.L.P. took free milk away from children. It abolished the petrol differential price that primary producers and other people in the nation enjoyed. The A.L.P. has been the greatest destroyer of prosperity that the nation has ever seen.

Members of the Opposition accuse the Government of not assisting people in this State in the field of taxation, but contrary to what the motion says we have made very effective reductions in indirect taxes. We have abolished death duties and reduced payroll tax. The A.L.P. has made hypocritical charges about what this Government is supposed not to have done to electrify Brisbane's railways. Let no-one forget that it was the Whitlam Government which withdrew money for electrification. That was the Government we could not get money from; it cancelled the payments before going out of office. On many occasions the Treasurer and I tried to get money for electrification of the Brisbane railways only to find that funds had dried up—that the Government had run into

a dead end with finance. Money for all the assistance plans and finance for local government and State Governments had run out. It had come to a dead end. The Federal A.L.P. Government was responsible for bringing about this state of affairs.

When the Labor Government came to power Australians enjoyed full employment and a full Treasury. It should never be forgotten that the people endorsed the Governor-General's action in forcing Whitlam to face the people to account for his actions. Let us never forget that Mr. Fraser and Mr. Anthony were faced with an almost insurmountable problem in overcoming the mismanagement and ruin that had taken place. In those days inflation was running riot, unemployment had reached a record level and the Treasury was near bankrupt. Mr. Fraser and Mr. Anthony have moved to correct these ills. We know that the medicine is bitter and not easy to take, but we have had to take it because of the mess Labor made quite unnecessarily.

Today, the shaky Leader of the Opposition and the A.L.P. have mounted this exercise to try to cover up internal wrangling. A power struggle for control is taking place in the A.L.P. between the militant Trades Hall unions and the academic Left. The Leader of the Opposition was smartly told who his bosses were, how he should speak and what he should do, and he knows that he speaks here today only with their permission. If there is any unemployment in Queensland today, it's in the A.L.P. Just ask Sir John Egerton, Bart Lourigan or Lou Jensen. It is very sad to see the honourable member for Bundaberg sitting on a cross bench after years of dedicated service. All those people were dismissed because, unlike honourable members opposite, they stood up to the Trades Hall.

Queensland's economy today is sound. The Treasurer (Mr. Knox) has released considerable sums (including a recent one of \$30,000,000) to try to boost the economy. The latest figures show that the unemployment rate is steady. As was indicated earlier, the unemployment figures are suspect because so many of the unemployed are to be found on the Gold Coast, the Sunshine Coast and in the Cairns area. They give others a bad name. I fully support the move to make the unemployment test tougher to try to weed out the work-shy. They may be limited in numbers but we know that in Queensland many are to be found at tourist resorts.

I repeat that, today, Queensland's economy is sound. Queensland is the only State with a balanced Budget and the only State which has been actively eliminating taxes such as death duties, gift duty and road tax. Queensland has the lowest State taxes and charges in Australia.

**Mr. Houston:** Don't talk rubbish.

**Mr. BJELKE-PETERSEN:** The official figures prove it. Opposition members may deny that as much as they like.

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

**Mr. BJELKE-PETERSEN:** I reiterate that Queensland's economy is sound. Queensland is the only State with a balanced Budget. As I indicated and emphasised earlier, Queensland is the only State in Australia actively eliminating taxes and charges—death duties, road taxes, pay-roll tax—

**Mr. Houston:** Road taxes? Do you mean that car registration is not going up?

**Mr. BJELKE-PETERSEN:** The honourable member seems to be out of touch with everything and well out of date when he makes a statement like that.

Queensland is a State that is not prepared to sit and wait for Canberra to act. We have taken initiatives in regard to so many things on so many occasions. That is one of the reasons why periodically Queensland sends trade missions overseas to Tokyo. It is one of the reasons why I myself went overseas recently, visiting four of the Middle East countries—countries populated by some 50,000,000 people.

**Mr. K. J. Hooper:** What did you achieve? What did the visit achieve?

**Mr. BJELKE-PETERSEN:** Time will tell exactly what was achieved by that visit. We established contact with the rulers of four very important countries, where most of the world's present wealth is. As I have indicated, some of those people will be visiting us in the very near future. It is in those countries that we want to establish markets for our primary products and our minerals. We also wish to attract investment from those countries—though, of course, nothing in the way of loans. The Middle East is the part of the world where the financial resources presently are. We have projects that are ready to go, such as Norwich Park, the Gladstone alumina smelter and, very shortly, German Creek.

**Mr. Houston:** You've been saying that for 10 years.

**Mr. BJELKE-PETERSEN:** We made another announcement the other day after Mr. Hibberd came to Queensland and intimated exactly what their intentions were.

**Mr. Houston:** That statement was made in 1969, too, and you know it.

**Mr. BJELKE-PETERSEN:** The economic climate brought about by the honourable member's colleagues in Canberra hindered them in going ahead. That is what happened—and that is why the project had to be postponed many times.

The Leader of the Opposition would be better employed telling his union bosses how their wage demands and their incessant strikes are crippling the efforts to get the Australian economy moving again.

**Mr. Burns:** Did you read what Mr. Hamer said in the United States about strikes and the unions?

**Mr. BJELKE-PETERSEN:** I don't know what Mr. Hamer said, but I am deeply concerned about the effect strikes are having on our trading partners like Japan, forcing them to go to Brazil. The countries in the Middle East that we visited are conscious of our record as a striking nation.

I stress that our present economic situation has been created largely by the union bosses—the leaders of certain unions—who have continually demanded higher wages. Some things such as the 17½ per cent loading have crippled our economy. Again and again businessmen say to me, "We can't employ more men under these crippling conditions and requirements." People on the land can't employ anybody when they have to pay a 17½ per cent loading on top of a year's salary. Things such as that are too stupid for words. Demands such as those have brought about the situation that we have today. The Trades Hall is living in a fool's paradise—but their members are not. They know that it is only by hard work that we can overcome the problems that confront us today.

We know from looking at the record—the agenda items and policies—that the A.L.P.'s real interests are in abortion, legalisation of drugs, homosexuality, prostitution, promotion of the Communists in Vietnam, Timor or wherever they are and in trying to make Australia a one-party republic, sliding Australia into the same doom as the satellite countries in Eastern Europe.

That is why Queenslanders have deserted the Labor Party and supported the Queensland Government. Labor has not changed one policy since its defeat. That is why I have always said that, whether a Labor man is good looking, easy to talk to or a neighbour, if he is a Labor man, he is dangerous because he supports the socialist policy of the A.L.P. It does not matter what he looks like or how he talks. With its socialist policy, Labor has led us into the situation we are in today.

The Queensland Government utterly rejects this phoney move today. This Parliament condemns the A.L.P. for its failure to stand up to the militant extremists in its midst. This Parliament condemns the Leader of the Opposition for his failure to stand up for his colleague who sits among the members representing the Trades Hall. This Parliament not only condemns but also castigates the A.L.P. for plunging Australia from a position of prosperity and full employment into financial and industrial chaos, as it did during its term of office in Canberra. That is why we are in this situation. By their own words today, honourable members opposite align themselves with their past Federal colleagues and must be joined in condemnation for their actions.

**Mr. YEWDAL** (Rockhampton North) (2.21 p.m.): I rise to join in this debate and initially support whole-heartedly the remarks

of the Leader of the Opposition and his deputy. The points they made were certainly valid.

It would seem to me that the Premier in his contribution spent a lot of time saying nothing. He seemed to be very proud that the State Government achieved a balanced Budget, which is not much of a record in these times of serious unemployment and other problems in Queensland. My information is that the last Budget was framed on the basis of a \$5,000,000 deficit. The calculation of the former and current Treasurers was that the wage structure would move upwards, and they came out with a balanced Budget.

The statement that there has been a reduction in some forms of State taxation and that the Government is taking some burden off the people of Queensland may not be valid. No details have been given, only very broad statements regarding State taxes. I should like the Government to produce some details of State taxes in Queensland. As a matter of fact I issue a challenge to the Government to produce details of reductions in Queensland taxes.

I draw the attention of the House and the people of Queensland to the Premier's statement that any man who supports the Labor Party is dangerous. That suggests that half the people in the community—in the State and in the Commonwealth—are dangerous people. He just spoke off the top of his head and did not know what he was talking about.

I stress the unemployment situation in Queensland. For many months towards the end of last year I took a keen interest in this matter and followed its development, particularly in Queensland. I am sure that the Premier, his Ministers, and all departments also were aware that unemployment in Queensland would increase. It was obvious—and it has been proved correct—that at the end of last year and in the early part of this year the number of people unemployed would increase alarmingly, particularly because of those leaving school. The Premier, his Ministers, and his Government have no plan to overcome unemployment in Queensland. To the best of my knowledge they have made no constructive approach to the problem. To my knowledge, they have had no dialogue with local authorities and other people in the community concerned with unemployment.

Also there are projects in Queensland that are vital to the community. I referred to them many months ago. Townsville and Ipswich have a backlog in sewerage in the sense of the number of houses not sewered. Works of that nature could have been undertaken by the State Government in consultation with the Commonwealth Government. It will be several years before the dam in Bundaberg and the water scheme in Mackay are brought into production. The point is that as soon as they come into production

there will be a quick return where sewerage is being paid back to the local authorities and the water is sold accordingly.

Apprentices are another glaring example. I should like the Premier to ask his Ministers who control any labour or staff in Queensland just how many apprentices they have employed and what the situation has been in recent years. My information is that it is seven years since an apprentice mechanic has been taken on in the Main Roads Department in Rockhampton.

If that is true, it is a shocking indictment of the Government. That is only one case. I would like to know what the Government has done about the employment of apprentices throughout the State. There were 3,000 young people seeking apprenticeships in Queensland this year with only 30 vacancies.

As I said earlier, I do not believe that the Government has begun any sort of dialogue with local authorities. I do not suggest that all the ideas that emanate from this side of the House should be accepted, but we did suggest several schemes which could reduce unemployment, one of which was a mini R.E.D. scheme. Just recently I travelled through the Wide Bay area and spoke to several people in local government. Most shire councillors I spoke to are crying out for some assistance. When I referred to the R.E.D. scheme they said they could do all sorts of work and complete all sorts of jobs under that scheme. I do not see this Government coming up with any ideas. I do not see Government members going to the Federal Government suggesting that the thousands upon thousands of dollars being paid out to unemployed people should be diverted to local authorities through the R.E.D. scheme. The Government is just not interested.

Since the election of the Fraser-Lynch Government we have been told that things are going to be all right. We were told by Ministers—and the Premier, the Deputy Premier and Treasurer and the Minister for Local Government and Main Roads were among the more vocal—"Give us a Fraser Government and we will solve all the problems." But the problems have not been solved. We get the parroting from Government back-benchers, "Who caused inflation? Who caused unemployment?" It seems that for the next decade they will continue to blame the former Labor Government. This morning the Premier said that the former Labor Government took all sorts of concessions from the people. The current Federal Government has had ample opportunity to reverse that but it has not done so. If the Premier keeps naming the concessions we took away I will keep reminding him and the rest of the Government that he has done nothing about reinstating them.

We have some 33,000 people unemployed outside the Greater Brisbane area. In other words, 60 per cent of the unemployed in Queensland are in country areas.

I want to give honourable members an example of the attitude of the Commonwealth Employment Service to young people seeking employment. A mother in Bundaberg asked me what could be done about the Commonwealth Employment Service directing her daughter to come to Brisbane to be interviewed for a job in a newsagency. She rang the newsagent and said, "Is there any need for my daughter to come to Brisbane to be interviewed for a job in your premises?" He said, "Look, lady, your daughter can come down for the interview if she likes, but there are some hundreds of girls in the C.E.S. register in Brisbane who can come along to be interviewed and I am sure I will get a satisfactory employee out of that lot." But someone from the Commonwealth Employment Service said, "If you don't go we will take you off unemployment benefits." That is the sort of thing that is happening.

The Premier also referred to the percentage of people on the dole who are not keen on work. I will be the first to accept that there are such elements in the community and I think we will have to put up with them for ever, but I think the Premier should be more specific. If he has the interests of the unemployed at heart he should look into the situation and then come back and talk to us about that percentage of people who are not keen to work. The figure is unknown. It is easy for him to say there is a certain percentage but it is not easy to be exact, just as I said a while ago about State taxes. We have been told time and time again that the Federal Government was going to create jobs and anybody who wanted to work would get a job. That is not factual. When we look at 50,000 or 60,000 unemployed in Queensland I would like the Premier to show me who are the dole bludgers.

One thing I want to stress is that we have been told time and time again that higher unemployment and the slowing down of the economy will help to halt inflation, but I believe it has the opposite effect. I believe that in times of high unemployment manufacturers, wholesalers and retailers increase their prices because of a reduction in the volume of buying. People who are earning a reasonable income are prone to buy what they want and pay cash, thus keeping their money moving, but people on lower incomes and those receiving unemployment benefits are not buying. I believe wholesalers and retailers are putting their prices up to retain their margins, and I believe this is inflationary rather than deflationary.

The Leader of the Opposition raised several other valid points this morning, particularly in the area of consumer protection. We find that the Government is doing nothing to protect the average consumer in areas such as roadworthiness certificates. As nobody is doing anything about policing them, they are not worth the paper they are written on.

We talk about builders' registration. The Government is not prepared to do anything about registered builders who do bodgie jobs and walk away from them. It can only take their registration away from them or fine them a nominal sum. Those builders are getting away with it.

There are all sorts of rorts in real estate and land, money-lending organisations and interest payments. I think the Deputy Premier is quoted in today's Press as having said that something must be done about interest payments. I say here and now that nothing has been done up to date and that the Deputy Premier's comment is very belated. Many people in the community have been calling for some time for something to be done about interest payments.

Generally, the attitude of the Leader of the Opposition to the problems in Queensland and the failure of the Government are, to my mind, completely valid. Until honourable members opposite are prepared to get up and do something positive the people of Queensland will not be very happy about their governing this State.

**Hon. W. E. KNOX** (Nundah—Deputy Premier and Treasurer) (2.31 p.m.): Today, Mr. Speaker, we have had a motion presented to the House by the Leader of the Opposition (for the time being) as some sort of smoke-screen to cover his own political problems, the like of which we have not seen for some time. A man of his background and standing in the A.L.P., a man who has been right at the top of the A.L.P., is now very much on the way out, and there are many people helping him to move over.

To cover his own position, he finds it necessary to come up with this lame attack—not an attack on the Government of this State, but an attack on the Government of the Commonwealth. He is using this forum to direct this attack on the Federal Government. He cannot find anything wrong with the Queensland Government, but he thinks he can find something wrong with Federal Government. This is his style. There is no solid attack upon the Queensland Government, and certainly no justification for an adjournment motion.

The Leader of the Opposition, of course, is the most resigned member of this House. He has resigned from his own party; he has resigned from the deputy leadership. He has said on a number of occasions that he was finished with politics. He resigned recently and the A.L.P. became so frightened that it would not accept his resignation. The party has been pressing him to do something about leading it to victory at the next election, but he hasn't a hope. He carried out a survey of the marginal seats now held by the Government and found, to his horror, that the A.L.P. cannot win them back. Having discovered that situation, the honourable gentleman has to try to do something about himself.

Let us see what Mr. Whitlam thinks about the Leader of the Opposition and what he

has to say about him. When he opened the A.L.P. conference the other day, this is what he said—

“There is no point in pretending that the state of the Labor Party in Queensland—its organisation, its morale, its numbers, its effectiveness—has been anything but parlous.”

That is the view of the Federal leader of the honourable gentleman and his party.

So the A.L.P., bankrupt of ideas, uses this House as a forum to attack the Federal Government because it cannot find any grounds for attacking the State Government. When it was in office, the Federal Labor Government put this country into bankruptcy. Its representatives went to the Iraqis, or wherever they went, to get \$4,000 million and thus put this country into hock. That is what they wanted to do. That loan would have cost the Australian taxpayers \$18,000 million in capital and interest over 20 years. That is the state into which the Federal Labor Government wanted to put this country. It attempted to bring that situation about by using a little known clause of the Constitution to go to the Governor-General and say it had the money for Supply and did not need a Supply Bill in the House. If that little device had been successful, this country would have been bankrupted forever.

The Federal Labor Government sought \$4,000 million at that time because Australia's deficit was then \$4,000 million, and it would have had to justify to the Governor-General that \$4,000 million was in kitty so that the rejection of Supply in the House could be ignored.

That is the way in which the A.L.P. treated this country. The Federal Labor Government eroded the standard of living by printing money. It created the serious inflation that the present Federal Government has had to correct. Over a year ago, the people of Australia decided that they had had enough of it, and they do not ever want socialists back in office in this country.

**Opposition Members** interjected.

**Mr. KNOX:** They do not want you back in this State, either. You are there in the wilderness forever.

**Mr. Houston** interjected.

**Mr. KNOX:** An absolute novice in the party has been able to run over half of them and get onto the front bench. He almost nudged out the honourable member for Bulimba.

That was a great price to pay.

**Opposition Members** interjected.

**Mr. SPEAKER:** Order! Honourable members on my left will desist from interjecting.

**Mr. KNOX:** When the Fraser Government was elected to office it was given by the people of Australia a blank cheque to correct

the problem which the socialists had caused. The people do not want back in office the kith and kin of honourable members opposite. They do not want them on the Treasury benches of this State or the Commonwealth.

What is the situation in Queensland? That is a subject that honourable members opposite avoided. The last official figures available show that there has been an increase of 0.2 per cent in the number of persons registered for employment in the 12-month period. The figure went from 55,050 to 55,147. Everybody in this Chamber knows that the time of the year when the figures are taken out is the period with the highest level of unemployment in the State in any year.

**Mr. Houston:** It's the highest of any year.

**Mr. KNOX:** No. Let the honourable gentleman go back to 1961.

The Leader of the Opposition says that it is the worst since the depression. That is absolute nonsense. The figure is 0.2 per cent worse than it was as a result of the Whitlam Government being in office over 12 months ago.

Let us look at the value of building approvals. They are up 20 per cent. For new houses commenced the figure is up 10 per cent. The value of new houses commenced is up 30 per cent. We provided \$10,000,000 the other day at 7½ per cent interest.

**Opposition Members** interjected.

**Mr. KNOX:** If they care to do their homework on the Budget they will find out exactly where I got that money. They have not done it. Let them read the statement I made in my Budget speech. I will remind them tomorrow of the exact words I used in that Budget speech. Then they will see exactly where I got the money.

Over the same period the sales of cars and station-wagons increased by 130 per cent. Retail sales were up by 20 per cent. The amount of finance for housing was up by 64 per cent. Depositors' balances in savings banks were up by 18.6 per cent in the 12 months. The total of housing loans approved was up by 24 per cent. Real property transactions increased by 32 per cent and by 25 per cent in the different categories. That is the situation in Queensland.

Whatever problems there are in New South Wales, a Labor State with nearly half the unemployed of the nation, we are not going to import them into this State. We have a Government in this State which is determined to encourage private enterprise, to encourage the private sector and to develop the State as we know it can be developed, and that development will benefit not only Queenslanders but Australians generally.

Our people are very fortunate in having a Government that is prepared to work at that. Honourable members opposite are

determined to destroy it. If ever the people of this State are foolish enough to return them to the Treasury benches, they can expect the same capriciousness and irresponsibility as was exhibited when the A.L.P. occupied the Federal Treasury benches.

**Mr. WRIGHT** (Rockhampton) (2.40 p.m.): I rise to support the Leader of the Opposition and other members of the Opposition on this motion before the Assembly. I was very surprised to hear the Deputy Premier criticising the Leader of the Opposition and the Opposition generally for what we are trying to do today. He said we had no right to use this Assembly to attack the Federal Government. What an amazing statement! Anyone who cares to read "Hansard" will see the vast number of questions asked and speeches made by Government members against the Whitlam Government when it was in power. It seems that there are two sets of rules in this Parliament—one for the Government and one for the Opposition.

Government members certainly have short memories. On every possible occasion during the three years that the Whitlam Government was in power this Assembly was used by Government members as a forum for castigating Mr. Whitlam and the policies brought forward by the Federal Labor Government. The coalition parties' 1974 State election campaign was waged solely on anti-Whitlam issues.

**Mr. Knox:** You and your colleagues are foolish enough to support him.

**Mr. WRIGHT:** Support whom?

**Mr. Knox:** Mr. Whitlam.

**Mr. WRIGHT:** Now that the boot is on the other foot, Government members do not seem to like it.

There seems to be a lack of consistency on the part of the Deputy Premier. It was not very long ago that he was praised in the Press for his courageous stand against Mr. Fraser and for warning him about what would happen. Today, however, he claims that there is nothing wrong in Queensland.

**Mr. Burns:** He couldn't do it today because Jim Killen wouldn't answer the phone.

**Mr. WRIGHT:** That might be so, too.

This Parliament has been in recess for three months. Over that period the economic plight of this State has worsened. The effect of that can be shown by the fact that 6.38 per cent of Queenslanders are now registered as unemployed. We as a Legislature have a responsibility to bring down legislation; as the elected representatives of the people we also have the very important and primary responsibility of debating issues that affect our constituencies and constituents. That is what this debate is all about. The best way to obtain an in-depth debate about such issues is to move the adjourn-

ment of the House. By doing that we are able to debate all the ramifications of the economic crisis that now confronts the community and all the issues arising from the irresponsibility of the Fraser Government.

The Premier in his speech tried to make out that everything was all right. It seems that he, too, is walking a political tightrope. He has tried to turn this debate into an attack on the Leader of the Opposition. He has mentioned some crisis within the Opposition. It is well known that when a person goes off on a tangent he shows that he is afraid of the real issues confronting him at the time. This is true of the Premier. He has attempted to blame the Whitlam Government for the problems confronting Queensland today. He, too, has a very short memory. He has forgotten that it was only 15 months ago that Mr. Fraser usurped power in Canberra, that it was only 15 months ago that Mr. Fraser said he would turn on the lights, that it was only 15 months ago that Mr. Fraser said he would give the people a new deal. Today, 15 months later, the unemployment problem is worse than ever and equal to that arising in the depression.

Drastic cuts have been made in public spending. Opposition speakers have made the point that any cut-back in public spending will hurt the private sector, too. Furthermore, this point was made by the Deputy Premier and other Government members. Yet apparently no-one is listening.

Huge costs have been forced on the taxpayers through Medibank. There has been a great loss of purchasing power arising from the fact that wage increases have not been passed on to the people to compensate for rises in the cost of living. But have we heard Government members ask, "What about the persons on fixed incomes? What about those persons paying \$40 or \$50 a week for their homes? What about the persons who cannot afford to pay the 30 per cent increase in ordinary household goods?" Of course we haven't.

The honourable member for Rockhampton North referred to main roads. Under the Fraser Government there is less money for main roads than there was before. Our Minister for Local Government and Main Roads is screaming about that. Similarly, there is less money for welfare housing and there has been a cut-back in finance for sport and recreation. This is happening at a time when there is a need for more leisure facilities. But what has the Federal Government done? It has cut back on its subsidy for sport and recreation. This will hurt almost every person in the community.

Local authorities have been sold out. The direct assistance that was formerly given to local government has virtually disappeared. Yet the Premier has the audacity to get up and, like the Deputy Premier, say, "All is well."

To revert to roads—those in Queensland in shocking condition. In North Queensland whole towns are cut off because of floods. A very serious situation has arisen. I believe that if the State had first-rate roads the effect of these problems could be lessened. Important roads that are vital communication links are deteriorating, yet the Federal Government does not seem to be interested. The Queensland Government, of course, is just as much to blame as our representatives at Federal level. It should be pushing for more money, but instead it has done nothing about the problem.

Queensland is presently facing a crisis in housing. The situation is probably the most critical that has arisen over the past 30 or 40 years.

**A Government Member** interjected.

**Mr. WRIGHT:** If the honourable member is not interested in the old people in his area, that is all right by me. We will tell them so before the next election.

If we go around the State we find that people on pensions and low incomes are paying rent of \$40, \$50 or \$60 a week, and sometimes for second-class housing. When we see that we realise that the Government has a responsibility to do something about it. But what have we done? Before Christmas the Minister for Works and Housing said, "We now have lower deposits and people can borrow more money." But what is the use of that if there is no money to borrow? That is the position at the moment.

Farmers trying to borrow from the Agricultural Bank are in much the same situation. I will be pursuing this matter by way of questions at a later stage. I have been told on good authority that no money is available from the Agricultural Bank other than for existing borrowers. There are to be no new accounts. This Government, which is comprised in the main of National Party members, is forgetting about people in primary industry. It is not interested in them. It is simply saying, "Don't come asking because there is no more money to borrow. We have asked the Federal Government for more money but it is not giving the money to us." Surely the State, too, has a responsibility in this area.

It is impossible for people to borrow in many areas of activity, especially housing. It must be realised that unemployment is critical. If people do not have proper housing, their standard of living goes down and down. But what have we really done to help them? We have asked for cluster-type homes for aged people and have been told that there is no money. We have asked for more Housing Commission rental houses and been told that there is no more money. About 9,000 people are on the Housing Commission list for homes. What has the Government done for them? Nothing! However, if money is wanted urgently for a mining venture, the

Government can go to the Treasurer's special sinking fund, which, I think, at one time had a credit of about \$50,000,000 (I do not know what is left in it now) and the money is found. But if we want money for housing ordinary people to offset the difficulties they face, no money is available.

This Government is guilty not only because of the problems we face in Queensland but also because it has played a double game. It has tried to make out politically that all is well, yet we know that at Federal level things are disastrous. What has this Government really done? What has the Premier done other than criticise in very low key? For quite a long period the Treasurer was very quiet, but suddenly, with an election looming, he criticised the Fraser Government. The Minister for Main Roads has talked about roads. What he said simply substantiates the claims made by the Leader of the Opposition in speaking to his motion. We have a crisis in roads, housing and many other fields, but the Queensland Government has done nothing. It stands condemned before the people of Queensland. I believe it must answer for this and it will be forced to do so at the next election.

**Hon. F. A. CAMPBELL** (Aspley—Minister for Industrial Development, Labour Relations and Consumer Affairs) (2.48 p.m.): The Premier and the Deputy Premier gave adequate reasons why the motion moved by the Opposition should fail. We could conclude the debate now but I do not think we should do that without the House being reminded of the basic reasons for Australia's present economic plight.

I am amazed at the effrontery of the Opposition in blaming this Government and the present Federal Government for a grave employment situation which had its genesis in the excesses, gross mismanagement and doctrinaire policies of the Whitlam Government. The Whitlam Government deliberately charted a course which called for the progressive destruction of private enterprise and the centralism of capital. When the Australian people saw the economic carnage that resulted, the sky-rocketing unemployment and the thousands of industries and businesses bankrupted or forced to close, they cried halt in December 1975.

The pathetic Opposition in this House apparently believes Australians are morons with no memories. That is why this motion is not only patently ridiculous, but also an insult to the intelligence of all Queenslanders. Queenslanders will not forget, for example, the loss to this State of its shipbuilding industry and of jobs for hundreds and hundreds of people. They will recall only too clearly the resolution carried by a meeting of three shipyard unions in 1974 condemning the Federal Labor Government. To refresh the memories of those opposite I will quote part of it—

"This mass meeting of shipyard workers strongly opposes the recent decision of the Federal Government to quickly remove the

subsidies to shipbuilders and protests at the mass unemployment which will follow in the wake of the decision."

This was in 1974 at Kangaroo Point. The quotation continues—

"We see this as a complete reversal of policy outlined prior to the Federal elections, such policy providing for a continuity of employment within the ship-building industry for all major shipyards in Australia."

The Leader of the Opposition may smile like a Cheshire cat, but he cannot take it. That was the motion of shipyard workers, not of Liberals or Conservatives.

Then there was the Federal Labor action in sweeping away tariffs and allowing in a flood of imports from cheap-labour countries. Business after business closed as jobs were created for Asians, and the dole was the dividend the Labor Government paid to Australian workers.

Then there was that great Deputy Prime Minister, Dr. Cairns, whose main claim to fame nowadays is that he flutters around with the fairies and sits down with the beautiful people to plan a better world. His idea of a better life for the Australian worker was to shut down selected industries and import cheaper goods of the kind they had produced. I attended a meeting of Ministers in Canberra in June 1973 when this great backer of the worker expounded his theme. It was a horrendous experience to listen to the Deputy Prime Minister of Australia—a man who in cold-blooded fashion published in several books his plans for the restructuring of Australian industry to fit in with his socialist plans, which decimated the furniture industry, the footwear industry and the textile industry.

Then there was the good doctor's colleague Clyde Cameron, who boasted that the Whitlam Government would be the pace-setter for wage rates through the Public Service. That was the signal for all the unions to go for their lives. Statistics and reports show that the resultant increase in wages was the basic reason for the increase in inflation.

Judging by this motion, the Opposition is professing an intention to fight the next election on unemployment and place the blame for it on the State. I think it is time to incorporate in the records of this House the disgraceful chapter in Australian political history which featured the Whitlam Government so that, when the next election does come round, the people will see through the hypocrisy of the Opposition.

I want people to remember that, at about the time of the Evans Deakin closure, there was a statement by the Storemen and Packers Union, of all people, that the union was considering withdrawing affiliation with the A.L.P. because it believed members were being thrown on the scrap-heap thanks to the Federal Labor Government's complacency in allowing imported goods, particularly

canned goods, to make inroads in Australia. In fact, the union's Federal president and State Secretary, Mr. Nicol, will recall that he went as far as to say, "Many of the changes taking place in Australia seem to be reacting heavily against the country's workers." Once again, these were the words of staunch A.L.P. unionists, not Liberals or Conservatives—yet the Opposition seeks to blame this Government and the Federal Government.

Let us look at the issue of employment historically so as to finally destroy the Opposition's argument. In the year to June 1973 the level of employment in Queensland rose by 4½ per cent and in the year to June 1974 by 6 per cent. The national average increases were 3.3 per cent and 4.7 per cent, respectively. Clearly, our growth in employment was going up at a faster rate than the national average.

What caused the sudden reversal? Was it because Queensland was being penalised for opposing centralism? Was it because of Federal Labor's monetary policies, which were designed to do two things—(1) curb demand in the private sector and completely discourage private investment and (2) transfer to the Commonwealth funds which would have been devoted to expanding our own industrial base?

The basic fact—and my authority is the Reserve Bank itself—is that by 1974 the volume of money available for any purposes had fallen, and, when one took into account an inflation rate of 16 to 20 per cent a year, which is what Labor gave us, one got a better appreciation of the severity of the impact of these policies on spending and expansion.

Two examples will suffice. What was the effect on the consumer? Lack of availability of housing finance and exorbitant repayments, associated with higher interest rates—

**Mr. Houston:** Who created them? Who created the higher interest rates?

**Mr. CAMPBELL:** It takes but an hour for a house to burn, but it takes eight weeks to rebuild.

Lack of availability of housing finance and exorbitant repayments, associated with higher interest rates, eroded living standards and caused a serious decline in the level of home-building activity.

What was the effect on expenditure by business to expand production capacity? The fact as far as Queensland was concerned was that problems accumulated because of the very type of economic structure of the State itself. For example, the Federal Labor Government's policy on foreign investment lost major projects to the State.

On his own admission in the 1974-75 Budget, the Federal Labor Treasurer forecast private investment would be even lower in that financial year. He also said that the

extent of this would depend on assessment by business of the economic outlook. He said: "On present indications, given present pessimism about the trend in cost and profits—fixed investment by businesses will decline in 1974-75." These were the words of a Federal Labor Treasurer in review of a national situation.

**Mr. Houston:** What have you done about it?

**Mr. CAMPBELL:** As I said, it takes one hour for a house to burn and eight weeks to rebuild it.

Obviously, the Opposition's attempt to suggest that the current level of unemployment in Queensland is the fault of the State is misleading and mischievous. The truth is that Federal Labor policies brought about a tragic set of circumstances in Queensland. I would not have believed it possible that policies set in train in only three years could have had such a sudden, cumulative and devastating effect.

For the first time in some decades, unemployment increased in Queensland in July, August and September 1975. That is when the seeds were sown. In every other previous year, these had been our best employing months.

Clearly, the lessons of Federal Labor's economic policies in a State such as Queensland are—

1. You can't kill off private investment and production improvement;
2. You can't willy-nilly cut tariff structures and penalise even efficient operations;
3. You cannot swamp the local markets with cheap imports manufactured by Asians who have taken the jobs of Australians;
4. You cannot fail to arrest cost inflation without affecting every strata of economic life.

These are the national facts directly attributable to misguided Labor policies for which the Opposition attempts to lay responsibility at our door.

I think it is a shocking thing that the Opposition chooses to attack the State Government and make a laughing-stock of itself instead of joining with it in a unified effort to restore the essential elements of confidence in business outlook and consumer expectations, which are the twin keys to resumption of a satisfactory rate of economic growth.

Now I should like to bring this discussion on unemployment up to the present. Seven hundred grown men in Gladstone have been on strike for some four weeks—not over a dispute on wages and conditions but because they refuse to work with a man who has been declared a conscientious objector to unionism. The fact that this man is paying the equivalent of his union dues, plus 10 per cent, to the Industrial Registrar apparently has no bearing.

(Time expired.)

**Mr. CASEY** (Mackay) (2.57 p.m.): In spite of the denials that have come from the Government during this debate, it cannot deny that it is just as responsible for the unemployment situation in this State today as are the policies of the Fraser Government in Canberra. After 15 months of the Fraser-Anthony Government in Canberra and the 20 years of this Government in Queensland, policies have not been introduced in this State to act as a buffer against the disastrous policies in that particular area.

This year, in Queensland, we have far in excess of the national average of unemployment. We should deal with our own State at this stage. Since Mr. Fraser took office in December 1975, unemployment in Queensland has increased by 16,881. It reached its peak in January of this year. This means that the increase in unemployment in Queensland has been 44 per cent since the Fraser Government took office.

Although there has been a slight drop in the February figures, as quoted in this House, there are fewer jobs available, so that the ratio of job vacancies to persons seeking employment is higher than ever before in the history of this State. The average over the whole of Queensland shows that 28 persons are seeking employment for every job that is registered as being vacant in the State. In New South Wales it is somewhere about 12.5 to 13; in Victoria it is down to about 6 or 7 on the last figures I saw, and most of the other States have single-digit figures. In fact, the way things are a Queenslander has only half the chance of getting a job that a person in any other State has.

In North Queensland and Western Queensland unemployment is even worse than the State average. Earlier the Leader of the Opposition quoted some figures on unemployment which showed that in places such as Townsville, there are over 40 people unemployed for every job vacant, in Cairns there are over 100 and in Mackay there are 60. In fact, the figures show that unemployment in North Queensland is at least twice the State average so that an unemployed person in North Queensland has only half as much chance of getting a job as a person elsewhere in Queensland.

In a breakdown of the ages of unemployed we find that 43 per cent of our unemployed are under 21 years of age; but young people comprise only 4 per cent of the work-force so one can see that at present we have four times more young people out of work than normally. As has been mentioned earlier, 60 per cent of the unemployed in Queensland reside in country areas.

Let us take a quick look at some more statistics, for instance, those relating to Nambour, which is an area in which the Liberal Party is showing great interest these days. It is going to have to do something if it is to win Nambour away from the National Party because there are 110 people seeking every available vacancy in

Nambour. There were something like 106 young people seeking apprenticeships in the Nambour area with only three available.

The Leader of the Opposition quoted some statistics for the Cairns area, which includes the shires of Cook, Douglas, Mulgrave and Torres. Of the 3,904 persons unemployed there 2,290 or 58 per cent are adult males, the family bread-winners.

When we look at the problems of junior employment in Far North Queensland, we find that at the end of February 319 junior females were seeking clerical and administrative positions, and yet there were only eight vacancies. These figures clearly show how difficult it is for our young people to obtain jobs. It is any wonder we have a drift from the country to the city. As the honourable member for Rockhampton North said earlier, it is not much good their coming down here because the situation is little better.

However, nowhere in the State is unemployment worse than in our rural and provincial cities, and this is brought about in large measure by the problems being experienced by the beef industry. Indeed, this Government and the Fraser Government have helped to bring the beef industry to its knees. Some grazing properties in Queensland today simply cannot afford to employ people. Yesterday Mr. Anthony recommended that graziers throughout Queensland withhold their stock from the markets. Only a few moments ago the Minister for Industrial Development, Labour Relations and Consumer Affairs was talking about strikes in Queensland, but is that not virtually the same as a strike? We have Mr. Anthony, the so-called great leader of the National Country Party in Australia advocating that graziers go on strike. He has already been condemned as being irresponsible by many leaders within the grazing industry in this State, and I join with them in their condemnation. They had a similar experience in 1974, and as they are vulnerable under the existing structure of the beef industry, if they did something like this they would be playing right into the hands of the meat-works buyers. As a matter of fact, Mr. Anthony is aggravating an already difficult situation. The Bureau of Agricultural Economics has already forecast a 35 per cent increase in the price of beef during the coming year, particularly on the overseas market, and Mr. Anthony's statement will only force up the local price, which will further increase inflation, which is one of our biggest problems today, and further increase buyer resistance. Some of the policies of this Government are adding to the problem. We heard the Premier say this morning that he was prepared to back the Minister for Primary Industries 100 per cent in everything that has been happening in this field. The graziers of Queensland will want to know why the Minister for Primary Industries could not get through the Australian Agricultural Council the proposal for a beef stabilisation scheme. What is happening

about that? The graziers saw it as their great hope, something that would assist them and solve the problems of the beef industry in this State.

One could mention so many points, Mr. Speaker. Take devaluation. We were told that devaluation by the Fraser Government was going to be the answer to all of the problems of the various rural industries in this State, that it would bring about better government. We were told by Mr. Sinclair—I think Mr. Anthony may have been sick at the time—and various other National Country Party Ministers that that was the answer. All I can say is that it was baconer's backside—it did not mean anything—because up to this stage there has not been any increase in prices for our primary products on export markets. Indeed, there has not been any significant increase since that time in the price of any of those products. In fact, the only persons in our primary export industries who have benefited from devaluation have been exporters who were holding stocks.

The way out of our present problems lies in Government financing or further Government expenditure in various areas. Let me turn to one that has not been mentioned in this debate—the provision of more accommodation for aged persons in the community. Each and every member of this Assembly would know very well that daily in each electorate people are trying to get elderly relatives into accommodation where they can be properly looked after and cared for in their old age. What happens? They are met simply with a shake of the head. Nothing is available. Good heavens! What has gone wrong with Australia? Have we reached the stage in this country where we cannot look after our old people, where we as Governments are not willing to spend money to provide proper care and health facilities for elderly people so that they can enjoy the twilight of their lives in the company and fellowship of their friends? By the various policies of this Government tied in with those of the Fraser Government in Canberra, many of those people are now being forced to live in squalor and poverty.

(Time expired.)

**Hon. R. J. HINZE** (South Coast—Minister for Local Government and Main Roads) (3.8 p.m.): It is indeed an honour and a privilege to follow in the debate such an eloquent speaker, a member who has such a great record of achievement in this House, one who has risen to the front benches of the A.L.P. in a very short time after having been booted out on his ear only a few short years ago. Obviously this is for one of two reasons: either the A.L.P. is down to rock-bottom, or the honourable member is such a scintillating speaker that he has been called upon by the A.L.P. as one of the first speakers on behalf of the Opposition. Words fail me!

I understand very clearly, of course, that when you are in trouble, the best method of defence is attack. Last week we found the A.L.P. fighting again, having its usual scraps. My good friends in the A.L.P. come along and give me a pat and say, "Well, there they are, they are at it again. You haven't got to do anything. We will kick ourselves to death as usual." That is what they were doing. Because of that, honourable members opposite had to cook up something today. Instead of allowing us to get on with the ordinary business of the State after a three months' break, they came up with some airy-fairy, cockeyed, stupid idea that this is not a prosperous State, that it is not being governed as well as it should be.

Honourable members opposite have had their say. The Leader of the Opposition gave us all the reasons, Mr. Speaker, and honourable members opposite who have followed him have tried to support him. Their statements are falling on deaf ears, of course, because the people of Queensland know better. It is all very well for the Opposition to go off at a tangent and make another airy-fairy attack that bears no relationship to the realities of the situation. But the Government has to look at these issues realistically and responsibly.

Let me deal with the road-funding situation, which is the real reason why I have entered the debate. The Whitlam Government came to power in Australia in December 1972. It had a very rough time in office and it had to go back to the people in 1974. After another very short period it was booted out in November 1975, leaving behind a vast trail of damage and, after coming into office with a \$900,000,000 surplus, a mammoth \$5,000 million deficit. No other Government in the history of Australia has been able to turn the state of the Treasury of the nation from a \$900,000,000 surplus to a \$5,000 million deficit within a period of three years. Honourable members opposite have the infernal hide to come into this Chamber today, after the present Federal Government has been in office for 15 months, and blame it for the economic ills of Australia. What about their mates, Whitlam and company? What about the Treasurers that the Labor Government had one after another? Treasurers were changed quicker than the Leader of the Opposition changes his shirt.

The Labor Government left behind roads legislation and a roads system (the brain-child of one Charlie Jones) which set the pattern for the worst Commonwealth-State relations on road funding ever in Australia. This is a legacy that we have to live with at present.

The Bureau of Roads (this is a non-political organisation) 1975 report clearly sets out the deterioration of roads and road funding that has taken place in Australia since 1973. As a result of the report and the deficiencies which it highlighted, the Queens-

land Government faced its responsibilities and increased motor vehicle registration fees by an average of 50 per cent when additional Commonwealth funding to the level required could not be obtained. This was a step which the Government obviously took no delight in taking, but it had no option. It was forced to act. This lifted the State's revenue from registration fees from about \$30,000,000 to a little over \$40,000,000.

During the term of the disastrous Whitlam Government we had the fuel tax rip-off. The percentage of fuel tax revenue returned to the States for road-works was slashed from a figure in excess of 60 to below 50. This has meant millions of dollars of revenue lost to all States. This policy has not changed very much.

The roads funding problem is not peculiar to Queensland. If honourable members opposite talk to their colleagues in New South Wales (Mr. Cox), in South Australia (Mr. Virgo) and in Tasmania (Mr. Baldock), they will find that they are all saying what I am saying. Apparently the A.L.P. in this State is prepared to attack this Government on its relationship with the Commonwealth on road funding. Why don't they talk to their colleagues in the other States and see what they say?

The honourable member for Rockhampton and another Opposition member said that the Queensland Government had done nothing about roads. Nothing is further from the truth. Over the last 12 months, through our very benevolent Treasurer the Queensland Government has provided \$13,000,000 to keep us going and to ensure that there were no retrenchments. Why do honourable members opposite have to tell lies? If they want to debate an issue, let them please try to tell the truth. The Queensland Government is doing more than is expected of it in respect of any matching grant from any Commonwealth Government to any State.

**Mr. Jensen:** You said we had the worst roads in the world.

**Mr. HINZE:** Of course I did, and so we have in comparison with other parts of the world. I said it and I will keep on saying it. It is the responsibility of any Minister—me or any other—to point this out. Frankly, I do not think that in my time I will see anybody now on the Opposition benches occupying the Treasury benches. Heaven forbid that that should ever be inflicted on Queensland!

This financial year the State Government is required by Federal legislation to spend \$53,500,000 from its own resources on roads. This year we will spend \$77,000,000—about \$23,000,000 more than we are obliged to spend. As I said previously, our own Treasury has provided \$13,000,000.

It should be remembered by the Leader of the Opposition that the present roads legislation, which is responsible for the roads dilemma faced by all States, is a legacy of

his Labor colleagues when they were in power in Canberra. It is no use coming into the House and blaming the Queensland Government. We can give the facts and sheet the problem right home where it originated. The Opposition is trying to blame the Queensland Government by saying that it is doing nothing. Let us look at the jobs we have completed and opened in the last 12 months. They include—

The Riverside Expressway, opened in July last year at a cost of \$37,000,000;

The Hervey's Range Road project, west of Townsville, costing over \$2,000,000;

The Bald Hills-Burpengary Bruce Highway bypass, costing \$11,000,000;

The Flinders Highway, completed in November last year at a total cost of \$34,000,000—one of the biggest and most significant road jobs completed recently in Australia;

The Devil's Elbow section of the New England Highway, completed in December last year at a cost of \$3,000,000;

Major works on the Landsborough Highway between Longreach and Winton.

**An Opposition Member:** You're putting me to sleep.

**Mr. HINZE:** I wouldn't be a bit surprised if the honourable member was asleep. From what I have seen of him, he was probably half hit before he came into the Chamber.

**Opposition Members interjected.**

**Mr. HINZE:** I think I should withdraw that. The honourable member is not half hit; he's only half asleep.

Those jobs are only a few of the major ones completed within the term of this Parliament that come to mind readily. Major works ahead of us and for which tenders have been called or let include—

The Barron River bridge at Cairns, estimated to cost over \$2,000,000;

The Houghton Highway, named in honour of you, my learned colleague, Mr. Speaker, and adjacent to the present Hornibrook bridge linking Redcliffe and Brisbane, estimated to cost \$6,500,000;

The Palmerston Highway, on which \$1,000,000 annually is being spent;

Markwell Street works, Fortitude Valley, for which the tender is to be let soon and for which the cost is estimated at about \$1,500,000;

The South-east Freeway extensions to Marshall Road, at a cost of \$17,000,000 and planned to open by 30 June;

Major bridges on the Bruce Highway between Marlborough and Sarina;

The Rocleigh Bridge over the Pioneer River at Mackay—

**Mr. Casey:** That's taken a long time, hasn't it?

**Mr. HINZE:** That made the honourable member smile, didn't it?

Tenders are now being called for the Comet River bridge; the Dawson River bridge between Rockhampton and Emerald is very well advanced; and major bridge and road-works are commencing on the Dawson Highway.

I could take up the remainder of the day enumerating major and significant road-works that are being undertaken throughout Queensland. I have given only a very brief list to show honourable members how shallow is the attack by the Opposition on a Government that is performing so well in the field of road development despite the mounting financial pressures and restrictions that I have indicated.

The State Government has consistently more than met its obligations in this area and in fact over the past three years has exceeded its legislative State quota obligations by more than \$40,000,000. We are more than keeping our end of the deal so far as Commonwealth-State road policies and spending are concerned. The Government is, of course, continuing its representations to the Commonwealth for additional funds to carry out the road-works that we believe should and must be done.

(Time expired.)

**Mr. PREST** (Port Curtis) (3.19 p.m.): I rise to support my leader. Today we have seen Ministers who over the past few weeks have condemned the Fraser Government for doing nothing to assist Queensland rise to their feet to strongly defend the Fraser Government. I am quite certain that their remarks as reported recently in the Press were made only for the purpose of seeking publicity and were not in line with the thoughts in their minds.

The Queensland C.P.I. figure for the three months ended December stood at 6.2 per cent or 0.2 per cent in excess of the Commonwealth figure of 6 per cent. The Federal Government has tried to hoodwink the people by claiming that the full C.P.I. figure should not be passed on by way of indexation.

The Federal Government has claimed that the Medibank component is only a oncer. That is, of course, quite untrue. The Medibank levy of 3½ per cent will be with us for as long as we have a Liberal-National Country Party Federal Government. So it is not a oncer; rather will it be a continuing component imposed on the workers of Australia.

As has been said by one of the Ministers, unemployment is at its highest level since 1961 when Mr. Menzies was Prime Minister. I believe that the present Federal Government, by denying young people in my area their social security benefits, is trying to turn the boys into crooks and criminals and the girls into prostitutes. I am not saying that they are turning to these criminal activities

but I do say that they are sincere in their desire to work yet, for various reasons, are being denied social security payments. The screws are being put on these young people. They must get money somewhere to support themselves, yet they are being refused social security payments. This could well drive them to crime.

Cut-backs in Federal Government spending have caused extensive unemployment. Assistance to local government has been cut back by the Government. With four months of this financial year to run, shires throughout the State are cutting back employment. That is not good for the community. Unfortunately some shires are not receiving the grants they received under Labor during its term in the Federal sphere. There have also been cut-backs in the area improvement programme, which greatly assisted local authorities. Under the Labor Government they could get work done but the Federal Liberal-National Country Party Government does not consider these areas to be important. These were some of the things provided by Labor that assisted all sections of the community, not merely one.

The social development programmes have also been cut. In Gladstone we have a social development board that was funded under the Australian Assistance Plan, which has now been cut out. The Gladstone local authority has taken up the tab and is giving \$20,000 a year to provide a community service and so assist young people with special problems. Fortunately, we also have church and St. Vincent de Paul people who are quite willing to assist.

**Mr. Moore:** Tell us your problem.

**Mr. PREST:** We have plenty of problems but the honourable member is probably my worst. No wonder hair does not grow on his head; it does not know which end to grow on.

Road construction in my area has been seriously curtailed because the money made available in the past has not been augmented to cope with inflation, which is presently running at 15 per cent. The Minister for Main Roads said that he is spending plenty of money on bridges, but it is useless to have bridges without connecting roads. He also said that big money was spent on the Flinders Highway, but we read recently in the Press about a large number of people stranded on this highway and it was only recently completed.

**Mr. Casey:** You can drive to the Gold Coast but you can't drive out there.

**Mr. PREST:** There is no doubt about that and I am certain that some areas of the Gold Coast are not what they are wrapped up to be. The area could be improved if it had a Labor administration.

Turning now to the province of the Minister for Industrial Development, Labour Relations and Consumer Affairs, I wish to refer to the strike at Gladstone. This strike, unfortunately, was brought about by a Government

department. It was commonly known in my area that, because of a shortage or cut in funds, there was to be a retrenchment in the work-force at the power station. Unfortunately, a stooge was found and named as a conscientious objector. After 11 or 12 years as a unionist he became a very religious gentleman and a conscientious objector. Fortunately the 700 people who were forced to take action against this person are supported up to the hilt by their wives. I am sure no-one likes such strikes to take place but this one was brought about by a shortage of funds in the Government department.

I have pleasure in supporting the motion moved by my leader.

**Hon. K. W. HOOPER** (Greenslopes—Minister for Transport) (3.25 p.m.): I rise to oppose the motion moved by the Leader of the Opposition and, in particular, to give to the Chamber the true picture as to the electrification of our railways.

I must stress from the outset that there is no threat to the urban electrification programme in Brisbane. My Government's massive urban public transport improvement programme is well under way and progressing satisfactorily. This is not due in any way to the former Federal A.L.P.-controlled Government, which did its utmost to hamstring and delay the programme.

The people of Brisbane and surrounding areas will have a modern, integrated public transport system. Considerable evidence of my Government's programme is already visible throughout Brisbane. Major construction projects include the new rail bridge and tunnel being built between South Brisbane and Roma Street across the river, and in the major structure rising at Mayne to carry the Ferny Grove traffic over the new electrified route through the city to Darra.

Concerted efforts by the Railway Department and its consultants together with those of the Metropolitan Transit Authority and its consultants have resulted in completion of, progress in or calling of tenders for the main components in the first stage of Brisbane's electrification.

Apart from the cross-river connection worth \$20,000,000 and the Ferny Grove fly-over worth \$3,200,000, many other works in connection with electrification have either been completed or almost completed, at a cost of over \$4,500,000. Also, materials such as cabling, masts and various fittings have been purchased for a total cost of \$1,800,000 and a further \$750,000 worth of electrification materials are under order.

A contract was let in January this year for the erection of the overhead wiring over the complete route from Ferny Grove to Darra. Construction work will commence at the beginning of May, and the total cost of this portion of the work is \$4,600,000. Also, a contract has been let for the reconstruction of Bowen Hills tunnel at a cost of \$1,750,000.

Tenders have been called for the remaining major works required to complete the initial stage of electrification between Ferny Grove and Darra, comprising signalling and communications, electric cars, reconstruction of inner-city tunnels and supply of main transformers, supply of communications cable and supply and laying of cable troughing to a total estimated cost of \$31,000,000.

With these and other works to be executed over the next two years, the money which will have been expended in completing stage I of the Brisbane electrification programme will approximate \$80,000,000. The greater part of this \$80,000,000 will be spent in Queensland, providing jobs for Queenslanders and helping to overcome the problems of unemployment in this State.

It is anticipated that a regular electric service will be operating between Ferny Grove and Darra by mid-1979. Meantime it is expected that suburban trains will be operating direct from the south side to Roma Street over the new cross-river link some months before that date.

One of the most significant actions in the area of public transport in Brisbane which has ever been taken was initiated by this Government last year when I introduced a Bill into this House to establish the Metropolitan Transit Authority. This authority is charged with the responsibility of co-ordinating all aspects of passenger transport in a defined region of south-east Queensland, including the metropolitan area. It is also charged under the Act with the responsibility of producing within a specified period a plan for co-ordinating metropolitan transport in the future. Associated with electrification works is a major improvement programme under way at many suburban stations both on the north and south-side systems. These improvements are in the form of paved car-parking bays, bus interchanges and improved access by underpasses or overbridges. To date improvements have been carried out at 18 suburban stations, costing \$2,000,000. Nearly 2,000 car-parking spaces have been completed in the past two years.

Now let me return to the year 1972, when both Federal parties inserted significant public transport planks in their policy speeches. It is significant to recall that in June 1972 the Bureau of Transport Economics carried out an independent review of all States and came to the firm conclusion that a significant investment of public funds should be injected into urban transport projects, and it projected that this should have been in the area of \$500,000,000, exclusive of any central underground railway schemes.

Yet Queensland and other States had to wait till midway through 1974 until the States Grants (Urban Public Transport) Act became a reality. The purpose of this Act was to allocate Federal grants funds matched by a contribution from the States for capital works improvements to urban

public-transport projects. This Act, purporting to cover the period from 1973 to 1978, actually did not become law until 1974, thereby causing an initial year's loss in the progress of the programme.

Despite the concentrated efforts of my Government to expedite the work, continual delays were experienced owing to failure of the Federal A.L.P. Government to approve programmes and expenditures.

**Mr. MARGINSON (Wolston)** (3.31 p.m.): I join in this debate because I feel somewhat concerned about conditions in our State. I feel very concerned about the unemployment that prevails in Queensland and the inflation that we are suffering at this time.

I am surprised that some of the members on the other side of this Chamber, particularly the Ministers, and more particularly the Premier, tried today to indicate to the people of Queensland that there was no such thing as inflation when Whitlam came to power in December 1972. I am surprised that they saw fit to tell us that there was no such thing as unemployment in our nation in 1972. Both problems have been with us for some considerable time.

I well remember, on the Tuesday morning after the Whitlam Government was elected in Canberra, the Premier standing in this House before the Labor Government had been able to do a thing, and condemning it. He said that he would fight Labor while it remained in office in Canberra. He condemned the Labor Government then and has done so ever since. At the same time he commended Fraser, Snedden, McMahon and particularly Anthony, saying what they would do for Australia and for Queensland once they became the Government in Canberra. We were promised reduction in interest rates on home loans. We were told that inflation would be attacked and would be done away with. We were also told that there would be no unemployment in our nation. These were the promises.

What really happened? Let me tell Government members, who consider that there was no such thing as inflation in December 1972, not to put the whole of the burden of inflation on Whitlam. Just what did their friend and the Premier's friend and mate Doug Anthony have to say in November 1972 during the election campaign?

**Mr. Lamont:** Tell us what the inflation rate was.

**Mr. MARGINSON:** I do not have the exact inflation rate, but I ask Government members to listen to what Anthony said.

**Government Members** interjected.

**Mr. MARGINSON:** If the galah from Stafford will keep quiet, I shall continue with my speech. He said—

"The Country Party sees inflation as a real threat to the nation."

This is when he was in Government. He continued—

“It is one of the nation’s most dangerous enemies.”

He and his colleagues recognised it at that time. He said—

“We have no problem so worrying or stubborn as that of inflation.”

Government members are keeping quiet now. Cop this one! This is what Anthony said—

“It is not just an economic phenomenon. It is a social evil.”

Government members should not get the idea, as they want to, that there is no such thing as inflation. It was a very serious matter in November, 1972, and Anthony admitted it.

The Premier spoke about our unions going on strike because they want better conditions for their labour. And, mind you, that is all they have to sell. But yesterday afternoon what did their friend Anthony do?

He urged cattlemen to withhold their beef from the markets and gave the reason for his advice. He said, “You will get a better price for your beef.” If that is not a strike, God only knows what is. This is the Government’s man, Mr. Anthony, taking away from the consumers a product that they require, an action which will inevitably result in a price increase.

**Mr. Lamont:** Are you opposed to the right to strike?

**Mr. MARGINSON:** I am not opposed to the right to strike, but the way Premier Joh goes on, he wants to take away the right to strike.

**Mr. Lamont:** Why can’t cattlemen do it? You are inconsistent.

**Mr. Burns:** The inconsistency is on the Government side.

**Mr. MARGINSON:** The inconsistency is with the Premier; that is the argument I am putting forward.

I now want to bring up a local unemployment issue. Just prior to Christmas I led two deputations to the Premier and the Minister for Mines and Energy on behalf of 200 miners in the Ipswich and West Moreton areas, but the Premier and the Minister were not concerned about them. The Premier was more concerned about his overseas trip to see the Sheikh of Araby or somebody like that—I do not know who it was. He was not concerned about the employment of miners in Ipswich, and their jobs were saved temporarily not because of any decision of the Premier or the Minister for Mines and Energy but only because the Gladstone Power House cannot be commissioned. Great difficulty is being experienced in getting the machinery to work properly. Yet a Cabinet Minister came to Ipswich just prior to Christmas and said

that he had saved the miners because a Cabinet meeting had that day increased their quota to 4 000 tonnes per week.

I did have something to say about the importance of the Brisbane Valley railway line and I still suspect that there is something going on with regard to it. I know, too, that the Premier and others were very anxious that I should cop it in this House with respect to a question to be asked of the Minister for Transport. These are the tactics Government members adopt. I am telling them now that there is unemployment in Ipswich and an increase in that unemployment was only averted by a mechanical breakdown in the Gladstone Power House, not because of any actions of the Premier or the Minister for Mines and Energy. They do not care two hoots about the unemployment position in Queensland today, and I join with my leader and the other Opposition speakers in saying that Government members, who belong to the same Liberal and National Parties as Fraser and Anthony, are just as much to blame for what is going on.

Is it not strange that Government members are now trying to dissociate themselves from Canberra? They are all saying, “We don’t want Fraser. We know they are on the outer today. We won’t claim them as belonging to us. We want to tell the people of Queensland that they are not ours.” But, my goodness, for the past three years Government members have said in this House that they were supporters of the Liberal-National Country Party people in Canberra.

**Mr. BYRNE (Belmont) (3.39 p.m.):** We are supporters of sound and fair economic distribution throughout the country. We are supporters of proper productivity, fair salaries for people and supporters of seeing something occur in this country which will be beneficial in both the short term and the long term. In this debate this afternoon we have heard the accumulated economic genius of the Opposition. We have heard member after member make the most confused and false statements this Parliament has heard for a long time. The Australian Labor Party has come out of the morass of three months of kicking members out of their party, taking others in to try to renew their strength and displaying their own internal divisions, and has attempted to confuse the public and the Press by saying that there is something economically wrong with this country. That is nothing new and will probably not even make very much of a headline in the Press.

The public already knows that there is something economically wrong with this country. The public knows that those responsible for that trouble, that economic turmoil, were not in office in the last three months, five months, or 10 months. The trouble started back in 1973 when Governments decided to impose growth factors on this community that the community was not able to face.

I remind honourable members opposite of one important fact. Every single dollar of productivity that comes out of Australia, every single cent that goes into providing welfare services, capital supports in the community and further productivity, has to come out of the country's own productivity. When you try to increase taxation by 20 per cent in 1973, by 40 per cent in 1974 and by 20 per cent again in 1975, you are doing nothing but telling the private sector, the people on the productive side in this country, that they have to increase their productivity by 20 per cent in one year, 40 per cent the next year and 20 per cent the following year in order to be able to meet the increased expenditures that Governments impose on the community. That is the situation that has occurred; yet the Leader of the Opposition comes in here and tells us, "Fraser and the boys haven't fixed it up after 15 months." You do not overcome a problem by forcing on the community and companies increases of 20 per cent, 40 per cent and 20 per cent in three years, at the same time saying that today we should reduce taxation and increase salaries, and then charge the Federal Government with not improving the economic situation.

If the Leader of the Opposition were Premier of this State, the only way open to him to honour all his promises would be to secede from the Commonwealth, set up his own Treasury and start printing his own money against the work of the State. He would not get money any other way. There is no other way the Federal Government can find money, apart from moving further into deficit.

If the honourable gentleman had read today's newspapers, he would have seen that, despite the cut-backs the Federal Government has made, despite the cut-backs it has imposed upon the community, despite the tax cuts of an indirect nature that the community has already enjoyed, the deficit is continuing to rise. The only alternatives are to allow the deficit to continue to increase and pretend, therefore, that in the short term we are going to be able to provide further economic benefits to the community, or to cut back further.

The Leader of the Opposition has told us that all these things are wrong; we have not controlled inflation; we have not reduced home interest rates; we have not honoured the promise of wage indexation; we have not introduced tax reform. He says that the economic stability necessary for small businesses is not present, that there has not been a reduction in indirect taxes. All these things coming together say two things: firstly that the Government should be taking in less money from the community, secondly, that the Government should be spending more money in the community. If the Leader of the Opposition is able to explain to this Parliament, to the community and to the economists of this country how that can occur, how that twilight panacea, that dream-time, can come about, then indeed he will

have solved not only the economic problems of Queensland and Australia but also the economic problems of the world. Probably at that stage he would have earned the right to be Premier, if not president of the world.

However, while the honourable gentleman is striving to become president of the world, he is failing to understand that there is a realism in economics. You cannot spend what you have not got; you cannot take from the community and expect to spend that amount if you tell people that they should have more of what you are trying to take from them. That just cannot occur. The situation is very clear indeed.

Let me refer to the great accumulated economic genius of the Opposition. The honourable member for Bulimba spoke early in the debate and gave figures relating to the number of people employed in Queensland. He said that 624,900 were employed in November and 619,300 in December. His research might not be very good and he might not have great facilities, but it is unfortunate that he cannot even find out how many people really are employed in Queensland, because the census figure for November 1976 was not the 624,900 that he gave but rather 819,500. If you are 200,000 out in the number of people employed and then draw a conclusion that employment fell by 5,000, your statistics become somewhat questionable.

Then the honourable member for Port Curtis pointed out that because of Medibank there would be an impost of 3.5 per cent every single quarter. Of course, any economic brain would understand that it was an impost in the first stead and that there would not be an increase every quarter. It is met only once.

So we see demonstrated the Opposition's great dearth of economic knowledge. They try to tell us that taxes should be lowered, that the community should be giving less money to the Government and that the Government should be spending more on the community. I am asking, as other Government members have asked, for the Opposition to show how that would be possible. Indeed, I know it is not possible; they know it is not possible, and, as much as they mouth words about it to try to gain kudos from the public, the public also knows it is not possible. The public is aware that if it wants more services from the Government its taxes must go up; if it wants taxes to come down, certain services must be curtailed.

I return to the situation which has created this unfortunate circumstance in Australia. In 1972, the then Treasurer, Mr. Snedden, imposed a growth factor of 12 per cent on the Government. He indicated at that time that, in order to curtail inflation the following year, it would be necessary for the growth factor imposed in the following year's Budget to be 8 per cent. Remember that the percentage growth imposed in a Government Budget is that percentage of growth which

is imposed upon the business sector and the productive sector of the community. Instead of the 8 per cent, which was what the McMahon Government promised the following year, we saw a 23 per cent impost, with a 42 per cent impost the following year and a further 21 per cent the year after that. In Mr. Lynch's Budget last year, in order to try to decrease the disastrous economic situation left by the Whitlam Government, there was a growth factor of 15 per cent. No doubt the Prime Minister is hoping to bring this year's growth factor down to a smaller percentage again, and back to the sensible growth factor we had for 25 years until Labor got into office.

I have one final point and I hope the Leader of the Opposition will pay some attention to it. He does not usually pay any attention to what most people have to offer. I wonder whether if Mr. Whitlam had won the election in 1975 he would be happy to explain to this Parliament and the public what different things Mr. Whitlam's Government would have done to try to overcome inflation, decrease unemployment and stabilise the economic situation. What has the Federal Government not done to maintain economic stability?

**Mr. W. D. Hewitt:** They would have printed money.

**Mr. BYRNE:** Yes; it is easy to print money, but that means that the deficit increases. If the deficit rises, there is a decrease in economic viability. So the situation is clear. What the Leader of the Opposition was suggesting, and what Mr. Whitlam must have been going to do if he remained in office, was to continue to print money, and continue to increase the deficit. Despite the cut-backs the Fraser Government has imposed, despite the tax concessions it has tried to give and despite the very strict reins it has tried to impose on its economics, the deficit is continuing to rise. If Whitlam had been returned and had not imposed those restraints the deficit would have continued to increase at an enormous rate. We would not be looking at a deficit of \$5,000 million but in two or three years we would be looking at a deficit of \$50,000 million. People seem to overlook that fact.

It is very clear that the motion moved by the Leader of the Opposition is full of contradictions. It contains little common sense and absolutely no economic acumen. It shows a great dearth of knowledge and ability on the Opposition benches. It indicates that the Leader of the Opposition is trying to distract the public's attention from the incompetence of the A.L.P. in Queensland, its total inability to provide an alternative Government in this State and the total incompetence of the Leader of the Opposition to be Premier, Treasurer, any Minister or even a Government back-bencher in Queensland.

**Mr. JONES (Cairns) (3.50 p.m.):** During the recess we became accustomed to the Premier and the Deputy Premier (the top

Liberal) and National Party members generally belly-aching about the decisions being taken in Canberra. In 1975 all of them, without exception, went to extreme and extravagant lengths to bring down a Federal Labor Government and install Fraser as Prime Minister. They told the Australian people, who believed them, that this coup would resolve all the nation's problems and would restore the economy to its previous buoyant level. They told the Australian people that it would lead to a reduction in interest rates (we note that today the interest rates charged to home owners rose again), it would solve the unemployment problems and it would provide all the answers. They believed in magic.

In 1975 those advocates for Canberra were the greatest proponents of Fraser federalism; today they thrice deny it. However, every time that our "turn on the lights" Prime Minister arrives at a decision adversely affecting Queensland, our Premier and his "baa baa black sheep" back-benchers must share the blame. They, too, are at fault for what "first light" Fraser has done to Australia.

Today Ministers have risen to defend Mr. Fraser. Not one Government back-bencher has been on his feet doing so; but the back-benchers will have to do so in the future. They have said, "Life is not meant to be easy. Nothing comes free." All the cliches that have been often repeated by the Government back-bench members will have to be defended in the future. This is the turning point; this is when they will have to stand up and be counted, as the Premier once said of them harshly.

Government parties know that they cannot have it both ways. They wanted Fraser and fanatically campaigned for him. They advocated his ascendancy without paying any heed to principle and to the democratic practices and principles of the Westminster system. They bypassed parliamentary procedures and conventions to get him into power. Now they are stuck with him and they do not know how to shake him off. They cannot merely disassociate themselves from him whenever it suits them to do so. He is their choice, and he is their burden. They are tied to him with all his failures.

As soon as the leader of the Country Party, Mr. Anthony, got back on his feet he came to Queensland and told his friends in the National Party to shut up and to be good boys. The result is that we have not heard one iota of criticism of Mr. Fraser since.

Government members now are forced to go out to the electors defending the abandonment of the free hospital system, the compulsory Medibank tax and the policies of the Fraser Federal Government. They will have to try to explain to the people why so many school-leavers are unemployed, why taxation is so high and why interest rates on home loans have been increased again today.

We have news for Government members—and it is all bad. On the stump we will be asking why the Premier wants nothing more to do with the Federal Government. We will be asking why he spent so much of the taxpayers' money on flights around the State in 1975 in his attempt to have the Federal Labor Government defeated. Government members will now have to defend the action taken by them in 1975, and we as well as the people of Queensland will be asking what is the result.

Today the Minister for Transport attempted to reassure us that there was no threat to the urban transport programme. In doing so he defended the Fraser Government and assured us that the urban public transport programme would continue. While I was pleased to hear his reassurance, he did not tell the whole truth. He said that the former Labor Government did nothing to enhance the programme. But the former Labor Government initiated the programme! If it had not come to the party with two-thirds of the cost, there would have been no urban transport programme—no electrification programme for Brisbane.

The words of the Federal Transport Minister (Mr. Peter Nixon), contained in Federal "Hansard" of 15 February 1977, contradict all that the Minister for Transport said here today. The allocations made to Queensland by the Labor Government for three and five-year periods to be spent on an urban transport system were cut out completely in the last Federal Budget by the Liberal-National Party Government, but a total of \$9,197,729 is still available and remains unspent by the Queensland Government. Yet the Government talks about taking up the slack in unemployment! This is the position in Mr. Peter Nixon's words—

"The Queensland Government did not seek my permission to re-allocate funds approved under the Urban Public Transport Program during 1976."

The amounts still available are as follows—

Project	\$
Cross River Rail Link (Merivale St. Bridge) ..	3,168,285
Electrification—	
Ipswich-Darra .. .. .	1,590,773
Darra-Ferny Grove .. ..	2,549,085
Northgate-Shorncliffe ..	972,290
Minor Interchanges .. ..	474,934
30 Buses .. .. .	442,362

That unexpended money should have been allocated to increase employment opportunities for Queenslanders. The reconstruction should have been accelerated. The situation is similar in Far North Queensland. The Government will not spend money. For some reason that I do not understand, the Government tries to hang onto the money. Who suffers? The people of Queensland and the unemployed!

Today the Premier had the audacity to declare a disaster area in Cardwell and Hinchinbrook. He should be ashamed of

himself. Recently he declared a disaster area for Cairns City, the Mulgrave Shire and the Johnstone Shire and then abandoned the people affected by the disaster. People who were inundated by flood waters did not receive a cent from this Government. I could cite war widows and age pensioners who were inundated but were unable to get a cent from the Government in the form of disaster relief.

(Time expired.)

**Mr. McKECHNIE** (Carnarvon) (4 p.m.): We have listened to a lot of hypocrisy from the A.L.P. One of the problems that the present Federal Government inherited was an estimated Federal deficit of \$5,000 million. People should be given an understanding of the effect of such a projected deficit. Governments, like businesses, have to finance deficits. There are only four ways to finance a Federal deficit: firstly, to increase taxes; secondly, to reduce Government spending; thirdly, to borrow; and, fourthly, to print money.

The Federal Government did reduce Government spending. It reigned in the projected \$5,000 million deficit to one of \$3,585 million at the end of last financial year. That was brought about largely by a reduction in Government spending, but there is a limit to the extent to which a Government can reduce its spending in one year. The Government did not want to increase taxes; it was inappropriate to do so at the time. That left it with the alternatives of borrowing money or printing money. We all know what would have happened if the Fraser Government had printed a large proportion of the deficit. It was therefore left in the position of having to borrow quite a lot of money.

When the Opposition talks about unemployment, it is in the area of borrowing money that the problem lies. The Fraser Government inherited from the Federal Labor Government a projected deficit of \$5,000 million. The Federal Government has had to borrow a lot of money to finance that deficit. That is why we have high interest rates: there is no other reason. The Whitlam Government plunged this country into a substantial debt in the last two years that it was in office. Because the present Federal Government has to borrow money to cover that deficit as well as to take measures to reduce it, less money is available for the expansion of businesses in Australia. When businesses have less money for expansion, they cannot take on more staff. When they cannot take on more staff, unemployment is the result.

I have with me a table I have prepared showing the Federal deficits from the end of the 1966-67 financial year until the estimated deficit for the year ending 30 June 1977. During the period of Liberal-National Party Governments in Canberra before Labor came to power in 1972, deficits varied from the minor figure of \$10 million to a maximum of \$552 million. However, a look

at the graph reveals what would have happened between the end of 1973-74 and the end of 1975-76 had Labor remained in power. It is reasonable to believe that, had Labor remained in power, the Federal deficit this financial year would have been \$15,000 million. If we had to fund most of a deficit of that magnitude by either borrowing or printing money, normal bank overdraft interest rates would be in the vicinity of 25 per cent. In addition, we would have had uncontrolled inflation.

While many of us in the State Parliament are not happy with some of the things done by the Fraser Government, we should all recognise that, because that Government has reversed the trend of increasing deficits, which were for ever rising, we in Australia have some chance of experiencing full economic recovery within 12 to 18 months. That is all that Mr. Fraser promised when he went to the people at the last Federal election—that he would clean up the mess in Australia but that it would take a full three years. If we give him a fair go and let him continue with the general policy that he has adopted, he will achieve that aim. However, we reserve the right to criticise some minor areas of his policy.

**Mr. BURNS** (Lytton—Leader of the Opposition) (4.5 p.m.), in reply: When the Federal Parliament resumed after the recess, the Treasurer dismissed unemployment in six sentences. Today, the Premier of this State, in speaking to this motion, did not say one word about the people out of work—not one word! The Government has not answered our claim of broken promises, or our argument based on unemployment statistics. All it can do is blame Gough Whitlam for its failure to provide a recovery that it promised to deliver.

The debate today shows that the Government has no policy, no concern and no heart. It shows that it is the disciple of high unemployment, high taxes and high interest rates. It finds these to be tolerable under a Liberal-National Country Party Government in Canberra. They are inexcusable only when there is a Labor Government in Canberra. After today's debate we know that every time that the Minister for Main Roads, the Premier and the Deputy Premier make cheap headline attacks on the Prime Minister of their choice, all they are doing is engaging in a cheap stunt. We know that when the acid was put on them today they failed to face up. According to those glorious promises that we heard in this Parliament all through 1975, Malcolm Fraser was going to correct all of those so-called ills that Gough Whitlam supposedly introduced into Australia.

After listening to the speeches today, it is obvious that Mr. Fraser has not corrected the ills and that Government members are happy. They are happy with unemployment under a Liberal-National Government; they are happy with inflation, high interest rates,

high taxes and broken promises. It is all right under Malcolm Fraser, but conditions are gloomy under Whitlam, even if the figures and rates are in fact reduced.

All that I can assume is that members opposite, contrary to their Press propaganda, are happy with Fraser federalism and the prospect of Fraser double taxes later this year. They are the greatest advocates for Fraser. All of the newspaper stories of the past are now shown as a sham. They are happy with the Medibank tax, the proposed petrol rises, and the prospect of double taxes, and today, when the acid was put on them to back up their criticism of the Federal Government, they acted like members of "Dad's Army", cowering and cringing at the shadows of their masters and mentors in Canberra.

Look at some of the things that have been said. The Premier spoke about the rural area and what Labor has not done. I should like to look at a couple of the promises made in November 1975 by Mr. Katter, a prominent Federal member of the National Party, which were set out in a full page advertisement in his area. They included "lower postal and telephone charges." Now the Tories are talking about the 23c stamp and the Premier is running around the State complaining about telephone charges, even though cuts were promised 15 months ago. They promised "relief from punitive fuel taxes in the west." Has it arrived? He promised "relief and assistance for the beef cattle industry." The same man moved an urgency motion in the Parliament the other day concerning the same problems—15 months after he made those promises. How is that for a liar? He promised "greater job opportunities for you and your family in Kennedy." There is high unemployment according to the figures.

The Premier said today, "We do not increase taxation. We are the lowest taxed State." In that regard I refer honourable members to the following figures:—

Licences and Permits	Increase 1975-76 to 1976-77	Increase since 1972-73
Liquor Tax .. .. .	% 50	% 160
Traffic .. .. .	59	278
Fishing .. .. .	17	69
Auctioneers and Agents Act	12	143
Other .. .. .	66	265
Land Tax .. .. .	36	96
Pay-roll Tax .. .. .	14	215

Pay-roll tax was a Liberal-designed tax. It is a tax on pay-roll or, in other words, on employment. It was designed by the Liberal Prime Minister of the day who said that he would give the States a growth tax. He gave that to us and we increased it. As I said, it has increased by 215 per cent since

it was given to us and even though some cuts were allowed this year, more is being taken out of the pockets of the people, the small business people, who should be providing employment.

I refer the Premier, because he is supposedly interested and concerned about country people, to this statement by the President of the United Graziers' Association in 1976—

"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 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."

He continued—

"In 1976, it has become a major cost for all cattle and wool producers and is adding to our losses."

That is the Government's tax, a tax introduced by this Government and increased by this Government against the interests of people in the country whom they are supposed to represent, the woolgrowers, beef producers and others.

Government members talk about rail freights. In 1974 the Premier promised "Project Help", and one of his projects was the rail lifeline scheme. In his policy speech the Premier said—

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

Up went the fares in each of the two Budgets after that promise and the train line at Innisfail is being closed and sold. The then Leader of the Liberal Party, Sir Gordon Chalk, said—

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

Some of the fare and freight increases were as much as 150 per cent under this non-taxing Government, under this Government that is supposedly saving us money and is not concerned about increasing taxation.

The sole response of the Premier and the Treasurer to this motion today was blaming Gough Whitlam, who left the Prime Minister's office 16 months ago. Perhaps with the Premier's capacity to find guilt in the convenient past he believes the blame for our unemployment, our excessive inflation and our rising interest charges and taxes should be sheeted home to Jim Scullin, John Curtin or maybe Ben Chifley. The simple fact is that the Premier recommended the Fraser Government in 1975 on fixed promises of economic recovery. He promised it and ran around the country selling it. He sold it without principle and he is now stuck with it.

These promises were made after Gough Whitlam left office, and remember this: Malcolm Fraser, as the non-elected caretaker

Prime Minister, had ample opportunity to evaluate the effect of the Whitlam years and carefully judge his alternatives. He had all the records of Government because he had taken them over as a caretaker Prime Minister. He judged them and, knowing the state of the economy, he made the promises, but failed to keep them. In a moment of uncharacteristic courage we found the Queensland Treasurer attacking Mr. Fraser, but let members remember this: it was Yvonne McComb, Malcom Fraser and Jim Killen who pulled him into shape. He now has to ring up Jim Killen to find out if he can make a statement. Today he started to launch an attack on me. At the State conference of his own party he was booed and hissed. His own executive carpeted him and told him what to do. It said, "You have to ring Jim Killen before you are allowed to make a statement on anything to do with the national economy or the national Government." He has a ton of courage!

The Premier was the first advocate of the Fraser federalism, and in his haste and hates of that time he endorsed it in its evil entirety before he understood what it meant. No matter what the Liberal-National Party members say here today, these are the simple facts 16 months after the Prime Minister of their choice was installed in Canberra—

Unemployment is at its highest level since the War;

Inflation is at its highest level for 25 years;

Interest rates, which they promised to reduce, rose three times last year and are now at an all-time record;

Instead of less taxes, as was guaranteed, we have a new one on health;

The tobacco industry is threatened;

The beef industry is disowned;

Many rural industries are on their knees.

Obviously the tinsel tigers opposite are unrepentent. They have no answers. For a nonentity the Treasurer was roaring like a lion a few weeks ago, but now he is the docile pet of Fraser and Lynch. The same applies to our Premier. It did not take long for Doug Anthony to get off his sick bed and pull him into line. We have not heard much about it since. The Premier is torn between the Anthony interstate academics, of whom the Gregory Terrace graduate (Mike Evans) is undoubtedly a factional supporter, and the Sparkes bush-rangers.

Government supporters talk about outside direction, but as soon as the Premier went away the Liberal members of the Cabinet said they were going to do something about it. The Premier's Press secretary said, "Look, it makes no difference what the Liberals do while he is away; when Joh comes back he will change it."

(Time expired.)

Question—That the House do now adjourn (Mr. Burns's motion)—put; and the House divided—

**AYES, 11**

Burns  
Casey  
Dean  
Houston  
Jones  
Marginson  
Melloy

Wright  
Yewdale

*Tellers:*  
Hooper, K. J.  
Prest

**NOES, 58**

Ahern  
Akers  
Alison  
Bertoni  
Bird  
Bjelke-Petersen  
Brown  
Byrne  
Camm  
Campbell  
Cory  
Deeral  
Doumany  
Edwards  
Elliott  
Frawley  
Gibbs  
Glasson  
Goleby  
Greenwood  
Gunn  
Gygar  
Hales  
Hartwig  
Herbert  
Hewitt, N. T. E.  
Hewitt, W. D.  
Hinze  
Hooper, K. W.  
Hooper, M. D.

Kaus  
Kippin  
Kyburz  
Lamond  
Lee  
Lickiss  
Lindsay  
Lockwood  
Loves  
McKechnie  
Miller  
Moore  
Muller  
Neal  
Newbery  
Porter  
Powell  
Scott-Young  
Simpson  
Small  
Sullivan  
Tomkins  
Turner  
Warner  
Wharton  
Young

*Tellers:*  
Bourke  
Lester

Resolved in the negative.

## FINANCIAL ADMINISTRATION AND AUDIT BILL

### SECOND READING

**Hon. J. BJELKE-PETERSEN** (Barambah—Premier) (4.25 p.m.): I move—

“That the Bill be now read a second time.”

In moving the second reading of this Bill, I think it is fair to say that honourable members have had ample opportunity to study the measure during the parliamentary recess. The Government has endeavoured to help honourable members in their consideration of the Bill by the preparation and circulation of a memorandum explaining not only the provisions of the Bill but also setting out the principles and thinking behind it. I am sure that all honourable members will agree that the Bill had been thoroughly researched before it was presented to the House.

At this stage, I do not intend to explain again the provisions of the Bill—that was done in the comprehensive speech made on its introduction. However, there are some comments and observations I should make.

At the Committee stage, a number of amendments to the Bill will be moved by me and these are being circulated. The amendments do not embody any new principles and perhaps I should briefly indicate the need for them. The title of the new Act should now become the Financial Admini-

stration and Audit Act 1977, not 1976, which was the year of its introduction. Since the introduction of the Bill amendments to the Public Service Act, the Public Service Superannuation Act and the State Service Superannuation Act have been passed and have become law. The titles to these Acts require to be updated in the Bill. There are a few verbal alterations which will be suggested for the purpose of clarity. Finally, since the introduction of the Bill, the House has passed the Electricity Bill, under which the State Electricity Commission will no longer be a department of State under the Public Service Act with a permanent head under that Act. An amendment will be moved to make it clear that the provisions of the Financial Administration and Audit Bill will still apply to the State Electricity Commission and that the Auditor-General will audit the accounts of the commission under the Bill and report to Parliament thereon.

**Mr. Houston:** Are you going to include the T.A.B. this time?

**Mr. BJELKE-PETERSEN:** We will see about that. This amendment is drawn in wide terms to ensure that all Crown corporations or instrumentalities, or statutory corporations or instrumentalities representing the Crown, will be subject to the provisions of the Bill and to audit by the Auditor-General, provided the expenditure of such bodies is subject to appropriation by Parliament. I will have more to say later on the audit of the accounts of such bodies where their expenditure is not subject to parliamentary appropriation.

The Government is pleased to note that the provisions of the Bill have received quite wide public attention. Last month, the Government Accounting Group of the Australian Society of Accountants conducted a seminar on the Bill. Over 400 persons attended from a wide range of interests, including the State and Commonwealth Public Services, local government and other public bodies. In addition, there were present persons practising in various facets of the accounting profession in the private sector. I am pleased to know that some members of this House attended. The seminar was addressed by the State Auditor-General and there were three commentators—the Commonwealth Auditor-General, the State Under Treasurer and the Director of the State Department of Harbours and Marine. I am told that the Bill was very well received.

In addition, the House might be interested to know that the Auditor-General has been invited to submit an article on the Bill to the International Journal of Government Auditing, which is the official publication of the world-wide body of governmental auditors known as the International Organisation of Supreme Audit Institutions.

I was pleased to note that the Leader of the Opposition supported the introduction of the measure. Now that he has had a

chance to study the Bill in detail, I think he will have found that some of the points he raised are covered by the Bill. However, there are some matters which he raised and on which I would like to comment.

He referred to the fact that not all of Queensland's public spending is contained in the State Budget and suggested that the affairs of some large statutory bodies escape attention. I suggest that this is not a fair statement of the position.

The Leader of the Opposition, having now studied the Bill, will be aware that the measure seeks to provide a consolidated body of law with respect to the financial administration of all moneys paid into or out of the public accounts kept by the Treasurer or the accounts subsidiary to the public accounts and miscellaneous accounts kept by all departments. In other words, the controls set forth in the Bill relate to all public moneys which are subject to appropriation by this House and certain other moneys which come under the control of departments.

However, I would remind the Leader of the Opposition that the Bill does not stop there. It provides for the financial administration and audit of certain "other accounts" which are defined in the Bill as meaning the accounts of bodies or associations of persons corporate or unincorporate other than a department the accounts of which bodies or associations are required by any Act or law to be audited by the Auditor-General or a person appointed or recommended by him. Of course, the moneys payable into and out of such "other accounts" are not subject to parliamentary appropriation.

I should point out that the audits of certain "other accounts" are carried out by the Auditor-General under Acts other than the Audit Act which is being repealed by this Bill. As an example of this, there are audit provisions under the Primary Producers' Organisation and Marketing Act, the Meat Industry Act, the Fruit Marketing Organisation Act, the Hospitals Act, the City of Brisbane Act, and so on. These statutory bodies, the names of which are listed in Appendix A to the Auditor-General's Annual Report upon the Departmental and Other Accounts, form an important part of the public administration machinery. The actions of these bodies are subject to parliamentary scrutiny and a degree of parliamentary control. Parliament has power to review the constituting Act and relative regulations; the Government has power to appoint members to the management of some of the bodies; many of the bodies are required to report to a Minister and/or Parliament; and statutory provision has been made for audit by the Auditor-General or a qualified person appointed by him.

In some cases the various Acts which authorise the Auditor-General to carry out the audits confer on him all the powers and duties conferred by the Audit Act; but in other cases such powers and duties are not

so conferred. In some cases there are statutory audits carried out by auditors in private practice who report directly to the Auditor-General. Audits of local authorities and harbour boards come within this category. In some of these cases the Auditor-General has powers of disallowance of accounts. Yet again there are cases where the Auditor-General has a power of review only over audited statements, such as is the case in regard to patriotic funds.

It is proper that controls that are deemed essential in respect of public moneys and property should apply in respect of the moneys and property of statutory bodies. Copious controls are provided under the laws and regulations applicable to some of these bodies, such as local authorities and harbour boards. However, in other cases the position in relation to the duties, powers and functions of the Auditor-General in the performance of the audit of those accounts is a grey area. An object of the Bill therefore is to clarify this position. In order to supply any omission from or deficiency in any particular Act or law, the Bill enables regulations to be made with respect to the financial administration and audit of any statutory body or class of bodies constituted under that particular Act or law. Such regulations can govern such matters as—

- \* Nominating who will be the accountable officer of the body concerned and what will be his duties and responsibilities;
- \* The due collection, receipt and banking of moneys; the disbursement of such moneys; and the proper safeguarding of the property and assets of the body;
- \* The form of annual financial statements and the responsibility for the preparation of such statements; and
- \* Matters necessarily to be included to facilitate the audit function.

Perhaps even more important is the fact that the Auditor-General is required by the Bill to report each year to Parliament on the accounts of statutory bodies subject to audit by him or by a person appointed or recommended by him. Thus the House can be fully informed on these matters and they are certainly open to full debate when the Estimates of the department concerned are being debated. I think the Leader of the Opposition was drawing the long bow when he suggested that the affairs of such bodies escape the attention of Parliament. There is not much that escapes the attention of this Parliament.

The Leader of the Opposition also referred to the form in which the Estimates are presented to the House. I know that the Honourable the Treasurer will be having something to say on this matter during this debate, and I will not touch on this particular aspect.

As the Bill has already been so fully explained to the House, I do not feel there is any further comment I need to make at this stage, except to say that the Bill will

bring a radically new approach to financial administration and audit in this State. I believe this is a matter which requires to be approached slowly; that we should aim to build up gradually a body of expertise and knowledge to enable new techniques and systems to be developed to more meaningfully serve this House in its oversight and control of the public purse. I would not like to see the Government rush into this new field and try to do too much too quickly. This could well lead to confusion and we must not fall into the trap of producing a mass of paper work at high cost and little meaningful result—a not uncommon experience in other places from time to time.

I believe the Bill will prove to be a milestone in the development of new financial techniques to better serve the State and this House and, for this reason, it should receive the support of all honourable members.

I commend the Bill to the House.

**Mr. BURNS** (Lytton—Leader of the Opposition) (4.37 p.m.): There is no doubt, as the Premier has said, that we should not rush into these things. It is over a century since the original legislation was written. Now, 102 or 103 years later, the old Audit Act of 1874 is being rewritten; so, fairly obviously, we are not rushing into anything.

When the Bill was introduced at the end of last year, I expressed the hope that it would adopt many of the simple reforms that every other Westminster-style Parliament has taken advantage of. Yet, with what I say is typical of this Government's conservative approach and lack in initiative, the Bill is deficient in many of the areas that I canvassed in that speech. I think it was on 4 March we read that the Federal Government was taking pains to crack down on inefficient accounting methods, with an announcement that it had recruited a team of specialists from private enterprise for a three-month survey of internal audit procedures, with the assistance of the famous B.H.P. auditor, Mr. Rogers, renowned in the past for his upgrading of Australia's biggest company's audit systems. In the meantime, this Government has introduced a Bill that I believe is inadequate, if not hopelessly inadequate.

The explanatory memorandum, which I appreciate and for which I thank whoever produced it, canvasses a good many of the areas that I dealt with at the introduction. However, it acknowledges that none of the crucial reforms followed elsewhere will be enacted by this Bill. I say this more in relation to accountability than anything else. In no other State of Australia have the people witnessed such widespread abuse and extravagant spending of public moneys for party political purposes by any Government in our history than by the Premier and this Government. The Joh shows, the National Party propaganda, the overseas loan investigation and so on have all hit the taxpayer's purse—yet there is little or no accountability

for them. These political adventures alone could occupy a team of auditors for the best part of the year.

The explanatory memorandum says—

“These basic principles were succinctly stated in the Report of the Independent Review Committee on the Office of the Auditor-General of Canada”.

The note that I wrote says that it was in March 1975. The first of the three basic principles is that the administration is accountable to Parliament. The second is that the administration accepts the responsibility of reporting to Parliament. I suggest that these first two principles have never been so blatantly abused as in Queensland. I point, Mr. Speaker, to the countless questions that I and my Opposition colleagues have asked about expenditure, not only on the Joh shows, expensive newspaper advertisements, the Wiley Fancher loan hunt to Switzerland and elsewhere, but also on other overseas trips.

I do not have the questions with me here, but I wrote to Leaders of the Opposition or Premiers in all States. I was able to obtain from South Australia, for example, a copy of a question asked on the money spent, where the people visited, those seen and met and the reason for the visit in detail. I obtained the information asked of the Premier of that State by the Leader of the Opposition.

In Queensland we asked the same question, in the same form as was asked in South Australia, of all Ministers who went overseas during the past recess. None of them answered fully. To me, that rules out the idea of accountability. The Ministers refused to specify the amounts of public money spent. In many cases in this Parliament we hear a Minister say, “I do not intend to spend the money or the time of my department in giving the answer.” In other words they are saying, “We are not accountable to you. We are not accountable to Parliament. We are not going to tell you.”

I decided to write to the Auditor-General on a couple of occasions in relation to these matters. On 6 November 1975, I wrote as follows:—

“I am deeply concerned and disturbed at the refusal of the Government to supply details in relation to the funding of what is now known as the ‘Joh Show’ on Queensland television and radio stations and the Premier's reports in the State's newspapers.

“Prior to the Budget, questions were asked of the Treasurer in relation to the money spent on these programmes and the answers indicated that the Treasurer believed they were funded from the Premier's appropriations.

“Since the Budget was introduced, it has become obvious through statements by un-named Government spokesmen that the people of Queensland are now required to pay for a \$20,000 advertising campaign

on behalf of four State Premiers which is basically a National-Liberal Party political campaign.

"As it has become clear that the Government will endeavour to cover up what I believe is a misuse of public funds, I write to you as the Auditor-General seeking your assistance in providing details from the accounts audited by you prior to the presentation of your Annual Report so that the people of Queensland can be made aware of a number of facts.

"These facts concern the advertising campaign conducted in the Premier's name on a monthly basis, the use of the Government aircraft for party political propaganda purposes in other States and throughout this State and the use of the State Public Relations Bureau as the political arm of the National Party in Queensland.

"Would it be possible for you to advise Her Majesty's Opposition of further details in relation to these matters, as I believe the people of Queensland are concerned at what I term a blatant political misuse of the State of Queensland for party political purposes."

I received an answer from Mr. Sewell, I think it was, as follows:—

"I received your letter of yesterday's date on the eve of my absence from the Office until the middle of the week after next. I will consider the matter on my return and let you have a reply as early as possible."

On 20 November he replied—

"Since my return to the office yesterday I have given careful consideration to your letter of 6th instant seeking further details in relation to certain expenditure.

"Your request raises an important matter of principle—namely, the extent to which the Auditor-General can divulge information other than that contained in his Annual Report to Parliament or that given in accordance with the express provisions of the Audit Act.

"This question is not a new issue—indeed, it has been the subject of discussion on many occasions at the bi-ennial conferences of Auditors-General of Australia and New Zealand. During my absence I asked my staff to research the matter and I find that the general consensus of the Auditors-General has been that any request for special information not published in the Annual Report to Parliament or not otherwise required to be furnished in terms of the Audit Act, should emanate from Parliament itself. I find that this view"—

I think that it is an eminently sound view, I might add, that it should come from Parliament itself—

"... has been founded on opinions given by several of the Solicitors-General of the various States. In these circumstances I feel that I would be acting

improperly if I were to furnish the information you request unless, of course, I was so directed by the Parliament.

"In view of the interest expressed by Her Majesty's Opposition in the subject matter of your correspondence, I will consider, in the preparation of my report to Parliament for the financial year 1975-76, whether I should include therein greater details of expenditure under certain vote headings."

On the television programme "This Day Tonight" on 30 October 1975 one of the Premier's Press secretaries (Mr. Alan Callaghan) said that it came out of Consolidated Revenue. He was asked, "What part of Consolidated Revenue? Taxpayers' money?" He replied, "Yes, that is already known." Later, Mr. Callaghan said, "This is out of Consolidated Revenue too. It is just like the Premier's report to the people of Queensland." He was asked, "How much does it cost?" He said, "I don't know, but it's chicken feed compared with the amount the Labor Government's spending on advertisements."

I am not arguing about the Act now; I am arguing about accountability in relation to it. Can we find out where the money came from and how it was spent?

The report of the interview reads further on—

"All in all, we estimate the total cost to be about \$21,000.

"Deputy Premier Sir Gordon Chalk said yesterday that he didn't know where the money came from.

"Today we can tell him—the Queensland taxpayer."

The people on television can find out or at least get some report, but I as the Leader of the Opposition and Government back-benchers do not seem to be able to find out the information to which I think we are legitimately entitled. I am not playing politics at all. I think that if there is such a thing as accountability of the Executive and accountability of Parliament itself, then as members of Parliament we should be able to find out from the documents, books, material and papers placed before us the answers to all the questions we ask about departments and their spending. The explanatory note again is quite correct when it says—

"The Financial systems employed in each of these countries and States are implants of the British systems; but since implantation, each system has grown independently and has been nourished by its own political climate."

I suggest they are very apt comments because here in Queensland we have our own political style of implantation which successfully prevents exposure of governmental abuse and wastage by an inefficient Government. Our system of financial administration has been nourished by the political climate of a Government which has no respect for the public's

money and has consistently squandered it for party-political purposes and on wasteful schemes. This Bill enables this Government to continue its practices without accountability to the Parliament.

On the introduction of this Bill, I spoke about the expansion of government and the positive interventionist role that Governments are expected to play in keeping an economy stable and developing. I referred to the growth of the public sector, which accounts for one-third of the economy and where one of every four employees works for a Government. With this in mind I repeat my original contention that one of the more efficient means of controlling the financial administration of the State begins at the Estimate debates in this Parliament and it ends with the Auditor-General when he reports to Parliament. I repeat my criticism, and I was pleased to hear the Premier state that the Treasurer will enter this debate to make a statement about Estimate debates.

The system of bringing down Budgets in this Parliament has serious shortcomings. Ken Wiltshire, the Senior Lecturer in Public Administration at the University of Queensland, has estimated that only one-third of Queensland's public spending is contained in the State Budget each year. I know that the Premier accuses me of drawing a long bow. But we do not have the Auditor-General involved in areas such as the T.A.B. and, while there is auditing of the S.G.I.O., some statutory authorities and commissions escape attention. What about the newly created Port of Brisbane Authority? Will we be getting an Auditor-General's report on its activities? We are talking about an expenditure of about \$90,000,000. We ought to get a report. We are talking about an export port which will affect all primary industries from Coffs Harbour right through to Maryborough and extending out to Charleville and perhaps Longreach and the like. All of us will be affected, so the Parliament of Queensland should have the benefit of having the Auditor-General go through the authority's accounts and expenditure to check on what it is doing. If not and it mismanages its funds or is inefficient in handling them and port-handling and freight charges have to be increased as a result, every person who votes for us, or votes against us if it comes to that, will suffer from that mismanagement. When the Parliament sets up such an authority, it is our responsibility to make that authority accountable and responsible to us.

We can extend the same rule to the new electricity authority we have just set up. Will it be subject to scrutiny by the Auditor-General? I cannot remember the debate, but if it is not I think we lose something as a result. There is also the Metropolitan Transit Authority, which is going to run the transport system in this city and be involved in the movement of a great mass of people—over 1,000,000 at present—and I think it should be accountable to us through the Auditor-General.

**Mr. W. D. Hewitt:** He does audit the statutory authorities.

**Mr. BURNS:** Do they report in that way? I looked through the Auditor-General's report for some of these things and the references come down to a few paragraphs. What I want is more accountability and more reporting on them. I argue that some of the reports we get by way of Budget papers do not serve to make me, as an ordinary member of Parliament, aware of the problems in the particular field. Eventually of course, it comes down to looking at the system of audit carried out. In short, I am not satisfied with the reports that we get.

The random nature of the Estimates debate has sinister overtones of hiding the spending of many departments; some are not debated for many years. Some departments that seem to be having trouble do not have their Estimates brought before us for debate. It is reasonable to expect that half the Estimates would come up one year and the other half the next year; but they do not come up in that way. So the notion of so-called responsible Government or accountability is given no credence when it is seen that the Executive determines which department's Estimates will be debated. The controversial departments are conveniently passed over and excluded from debate.

The system of annual review in Queensland in this Parliament is, I think, no longer adequate. Many programmes in the Budget are on-going programmes, but they are debated only in yearly sequences. This makes it hard to review the full overall significance of a Government proposal. The Queensland Budget has been described as more like a weather forecast, a shopping list and a crop survey than an economic document, and probably that is not an unfair criticism. The time for updating is now, and I believe that one of the methods of updating could be those of the public accounts committee.

I find it extraordinary that Queensland has no public accounts committee. The absurdity of our system is that if the Auditor-General uncovers a discrepancy or something in error, we simply have no mechanism to follow it up. The Auditor-General reports directly to the Parliament, yet what follow-up is there when he tells us, as he did in the 1974-75 S.G.I.O. audit, that over \$100,000 of good taxpayers' money was unaccounted for?

Britain has had a mechanism in the form of a Public Accounts Committee since 1861. Every Australian State with the exception of Queensland and Western Australia has one. The notion of accountability to Parliament becomes fruitless unless Parliament can follow the matter through. In the United Kingdom the Public Accounts Committee is chaired by an Opposition member. This gives it some bite, because it will at least be critical of the Government's operations.

In my first speech in this Chamber I mentioned the duties of the Australian Parliament's Public Accounts Committee set up

under the Public Accounts Committee Act 1951-1973. I should like to read very quickly the responsibilities of that committee. They are—

“(a) to examine the accounts of the receipts and expenditure of the Commonwealth and each statement and report transmitted to the Houses of the Parliament by the Auditor-General in pursuance of sub-section (1) of section fifty-three of the Audit Act 1901-1950;

“(b) to report to both Houses of the Parliament, with such comment as it thinks fit, any items or matters in those accounts, statements and reports, or any circumstances connected with them, to which the Committee is of the opinion that the attention of the Parliament should be directed;

“(c) to report to both Houses of the Parliament any alteration which the Committee thinks desirable in the form of the public accounts or in the method of keeping them, or in the mode of receipt, control, issue or payment of public moneys; and

“(d) to inquire into any question in connexion with the public accounts which is referred to it by either House of the Parliament, and to report to that House upon that question,

“and include such other duties as are assigned to the Committee by Joint Standing Orders approved by both Houses of the Parliament.”

Those are fairly wide-ranging.

The memorandum supplied by the Premier's officers shows that we ought to look into programme auditing. We ought also to have a look at the General Accounting Office set-up in America. I do not know that everything the Americans do is correct, but in the circumstances the G.A.O. is worth having a look at. On page 5 of the memorandum programme auditing is mentioned, and the point is made that the Comptroller and Auditor-General in the United States of America, in the course of programme auditing, undertakes investigations in many fields. Sooner or later, we must begin to look at systems like these because we can spend a lot of money by quickly passing items through this House.

There are so many areas of waste and extravagance that we see for ourselves. For example, in the last few months before June people telephone round the State saying, “I have some money left to spend. What needs doing out there?” Departments are told to stockpile items that they do not really need at present, because if that is not done the money has to go back. We ought to be able to change that system. Surely there should be some way of carrying the money over the period so that people do not waste it or misuse it.

The programme auditing of the General Accounting Office in America covers such fields as: the evaluation of a programme's effectiveness to get needy families with

dependent children off welfare; a review of a programme intended to alleviate expected shortages of doctors, dentists and other health professionals; examination of the work being done by the Department of Agriculture in its inspection of meat and poultry plants; examination of the basis of rates paid to construction workers on military housing, low-rent public housing and other housing financed by the Federal Government; examination of the benefits that might be realised by reusing designs in the construction of public housing projects; review of the issue, withdrawal from circulation and destruction of paper money; review of the school lunch programme; study of Government wind tunnels; assistance in developing administrative and financial procedures for foreign aid programmes; and the provisions of assistance in the reorganisation and modernisation of the Passport Office. There is a whole range of programme audits which are extremely varied and elusive of definition. The memorandum states—

“It is obvious that such audits cannot revolve around the particular skill of accountancy, but tend to involve the use of a variety of professional skills. Multi-disciplinary audit teams may, in addition to accountants, comprise lawyers, actuaries, engineers, medical doctors, psychologists, statisticians, computer specialists, economists, social scientists . . .”

I am not a great believer that all knowledge comes from the university, but I think there is a need for us to know of the ongoing programme that we are putting money into. We may start a programme in 1970 and not finish it until 1983. All the Parliament does each year is put some additional funds into the project.

**Mr. Aikens:** A bottomless pit.

**Mr. BURNS:** Yes, it can be. In one way or another someone should report to us. He could say, “Be a bit careful. This is going to cost \$800,000,000.” The other day I saw a report in the newspaper about the new cultural centre near where the Queen will perform the ceremony of naming the new river fountain on Friday next. Originally when the scheme came to this Parliament it was to be a \$40,000,000 cultural centre. The other day the newspaper referred to a \$94,000,000 centre. It has gone from \$40,000,000 to \$94,000,000 seemingly overnight. I do not know that inflation would have more than doubled its cost in that time. Has more been added to the project? Has it been decided to expand it? What is the reason for the dramatic increase? We will not find the reason in the Budget papers or the documents that are tabled in this Parliament. It seems to me that that is the role of the Auditor-General or some other person. In America, the Government Accounting Office provides a tremendous amount of information for back-bench members.

**Mr. Aikens:** We are like indulgent parents with spendthrift children.

**Mr. BURNS:** Even with our children we don't say, "We will keep giving you money for evermore." Sooner or later after the kids have kept coming back for more money we say, "Let's have a look at what this is all about. I thought I was originally up for so much but you keep asking for more. I want to know what is happening." Without being unreasonable or unfair to those getting the benefit of the spending, we should be able to say, "We have had a look at the project and we think the money is being wasted. We have to start to live within our means on this project." The Government Accounting Office in America is concerned that Federal departments and agencies through their programmes and activities carry out the mandate or intent of legislation enacted by Congress. It plays an important part in the legislative oversight role. It is an independent, non-political agency in the legislative branch of the Government. It provides the Congress, its committees and members with information, analyses and recommendations concerning operations of the Government, primarily the executive branch. What is wrong with that? Why shouldn't we have something like that either by way of a public accounts committee or the Government audit office?

I am not an accounting expert by any means but I see a provision in the Bill for an internal audit system in every department. I worry a little about that. I thought that maybe we should have a mobile audit system. Let us not forget Parkinson's law. Under this Bill if every man who is going to be made an accountable officer is entitled to set up an internal audit system to check on what he is going to be held accountable for, we may find a multiplicity of audit groups being set up. It is the old story. When one fellow is made the boss he has to have a secretary, a car, a driver and all the other things to make him look like a boss. Next thing he has a department collected around him.

**Mr. Aikens:** They all finish up like Arthur Creedy.

**Mr. BURNS:** I will ignore that.

I am grateful for the information contained in the explanatory memorandum but I express my doubt about the accountability and the internal audit programme. I do not believe that there are enough safeguards built in. I hope that we are not going to tip monumental sums of money every year in the same way into bottomless pits. We do not want to end up with a complete department carrying out an internal audit within every department. Perhaps we should have a Parliamentary Accounts Committee or an auditing office associated with the Parliament. I do not know why we cannot give the Auditor-General the oversight that is given to the Ombudsman. If Parliament appoints the Auditor-General as the watchdog over parliamentary accounts and departmental accounts why can't he be Parliament's accounting Ombudsman? Why can't

a member of Parliament who has particular concern about spending on some parliamentary activity go to the Auditor-General and ask him to report not directly to that member of Parliament but to the Parliament as a whole?

**Mr. Aikens:** Don't you remember that we had to pass a special Act to allow the Auditor-General to inspect the books of the James Cook University? They were denied to him.

**Mr. BURNS:** It seems to me that the Auditor-General should be given free access to the books and accounts of those bodies that were set up and controlled by Parliament. In other words, no restrictions should be placed on the Auditor-General. Members of Parliament should be able to say to him, "We want to know and it is your job to report to us on what is happening in the areas under our control."

At present I might ask the Auditor-General to do certain things and he might reply that under the Audit Act he cannot do them. Nowhere in the Bill can I find any provision giving him more authority than he had before. Perhaps the Premier in his reply can draw my attention to a clause that gives the Auditor-General more authority. If there is such a clause, I will apologise. However, I have tried to discover what the Bill does and I do not believe that it moves far enough from the old Audit Act, nor does it alter the restrictive stance that Parliament adopted before. In those circumstances, I claim the Bill is not good enough. I leave it at that because I think that some of the areas that I wish to canvass can be covered at the Committee stage.

**Mr. W. D. HEWITT** (Chatsworth) (5.3 p.m.): It is a matter of regret that the Leader of the Opposition has contended that the Bill is not good enough. It is the result of many years of close study and research and at present it is a trail-blazer in Australian politics. No other State at present is prepared to introduce a consolidated Bill dealing with both financial administration and audit procedures. I know that other States are looking closely at the passage of this Bill through our Parliament, and I am positive that in the fullness of time most other States will introduce legislation that will significantly mirror what we are doing today.

A number of the criticisms levelled by the Leader of the Opposition could more properly be aimed not at the Auditor-General but at the Government. This Bill is not answerable for the acts of omission or commission of the Government; rather it is setting up the structure for better financial administration in the State and better audit procedures. When we realise that up till now our audit procedures have been governed by an Act passed in 1874 we will consider it not before time that we brought forward something more up-to-date and more contemporary.

I recognise the Bill as the result of great dedication on the part of senior public servants who lent effort long and hard towards its framing. From discussions with them I know that a high sense of altruism is shown in the Bill. Those public servants have been concerned not with cutting corners or with making their own lives easier, but with giving us a level of public administration of the highest possible order. I think that when the Bill becomes fully effective Queensland will rightly be able to claim just that—public administration of a highly effective order.

The Leader of the Opposition and I have commented on the fact that this Bill replaces an Act that was passed in 1874. The Auditor-General has made constant appeals to the Government for a new Act, and he has carried out constant study and overseas investigations into legislation such as this. By this Bill we will be satisfying the demands that he has made upon the Government. He has made frequent reference to the need for a new Act and at last it is coming along. In view of the sophistication of present-day accounting procedures, the use of computers, data banks and things such as that, and indeed all present-day technology, it is quite remarkable that the 1874 Act can be relevant in any way at all to the present position. When we contrast our society and our economy with the more leisurely times of 1874, it is certainly quite remarkable that there is any relevance at all in the 1874 Act. It is certainly being honoured more in the spirit and, clearly, the stage has been reached at which it is ineffectual.

The Act of 1874 invoked the Treasurer (I think these are delightful words) "to keep at the Treasury a book to be called the cash book". In those leisurely days, I suppose we could almost imagine that every last entry, every last Government negotiation, could be entered in that all-embracing book, the cash book. If they were leisurely in that regard, at least they imposed a discipline upon the Treasurer which has been maintained to this day and is faithfully repeated in the new Bill now before us. The 1874 Act compelled him to publish in the Gazette at the end of every quarter of the financial year a statement in detail of receipts and expenditures of the Consolidated Revenue and Trust Fund, together with comparative statements. Honourable members will know that those figures are still gazetted every three months. They will know that they are still sent to us by the Treasury Department. It is pleasing to note that the doctrine of disclosure has been adhered to to the present day and that such provision will still be found in the new Bill.

When this House went into Committee on 9 June 1874 to consider the Audit Bill, the Colonial Treasurer of the day moved that the Auditor-General, one F. O. Darvell, be called to the Bar to explain the Bill. That gentleman was examined in great detail.

It is recorded that he was asked on one occasion, "Have you ever reported any of your own errors to Parliament?" With due modesty he answered, "I have never had occasion to." If the original Bill was considered so complex that the Auditor-General had to be called to the Bar to explain it, then certainly this Bill must be considered much more complex. That complexity is conceded by the fact that information has been distributed by the Auditor-General in support of his Bill.

On occasions such as this, when we are contemplating such a complex Bill, one wonders whether in fact senior public servants should be called upon to explain to interested members the exact ramifications of their proposals and exactly what they are trying to do so that members, in a proper exchange with those senior public servants, could point out deficiencies as they see them. To make that observation is to afford no disrespect whatsoever to the Minister, whoever he may be, who is in charge of the Bill. Quite clearly there are occasions when complexities are of such an order that members could well do with adequate briefing before a Bill actually reaches this House.

The Bill places heavy responsibility upon the Auditor-General. It rightly places him beyond the cavalier control of the executive of the day. He can be dismissed by the Government if there is a clear dereliction of office. But, in the words of the Bill itself, he "shall hold his office during good behaviour and shall not be removed therefrom unless an address praying for his removal is presented to the Governor by the Legislative Assembly." We remove him from political influence; we remove him from the authority of any one Minister; we make him answerable to Parliament alone; and so long as he is a man of good behaviour, Parliament cannot dismiss him.

I am so attracted to that idea that I would strengthen it. I tend to lament that the Auditor-General can be removed by a simple majority of the House when a simple majority can still be represented by, and disciplined by, the Government which may be opposed to some action that he has taken. Indeed, I think he could well enjoy the same security as is enjoyed by a Supreme Court judge so that a majority far in excess of a simple majority of the House is needed to remove him from office.

By way of rejoinder the Premier may well remind me that the 1874 Bill always provided that a simple majority alone would be sufficient to remove the Auditor-General and this Bill only carries on that provision. I would concede that argument if the Premier points it out to me, but I would say to the honourable gentleman that we are living in changing times and it could well be that a hostile Government did not like the impartial judgment of an Auditor-General and would seek to remove him from office. He would be more strengthened if it took more than a simple majority of the Parliament to remove him. Certainly, the strength

of the impartiality of the Auditor-General represents one of the great guarantees of the integrity of Government itself.

It is true to say that Australian politics are very rough and tumble. I suppose they are as rough here in Queensland in terms of heated exchange as would be found in any other democratic society. Yet it is equally true to say—and I speak here in the Australian, not the Queensland, context—that the stigma of graft and corruption seldom touches any Australian Government. That is attributable in great measure to the series of checks and balances that we have built into our own system. The Bill that we debate today is an extension of that series of checks and balances. The greatest of those checks and balances, of course, is the supremacy of Parliament itself over the public purse—a supremacy that the Bill constantly avers and further strengthens.

If we study the defalcations disclosed in the Auditor-General's report, we will find references to small thefts and misappropriations, but we will find also that there is a proper control of public accounts. We do not see the slightest sniff of graft, corruption or any impropriety whatsoever. The main matters that the Auditor-General had to refer to by way of defalcation in his last report involved the incidence of theft—not by public servants but by people removed from the Public Service. There was theft from the Education Department to the order of \$48,000; from local authorities, \$41,000; and, from the Works Department, nearly \$19,000. It is still small tea, but all totally theft. I say with some sense of pride that there is no shadow or suggestion of graft or corruption in any Australian Parliament whatsoever. That is attributable to the powers resident in Auditors-General and Bills such as the one we are bringing forward today.

If the Auditor-General could measure efficiencies, he may not have the same ground for satisfaction; nor might we. I bring to the attention of the House the submission that Sir Alan Westerman made to the Coombs Royal Commission on the Australian Public Service. Westerman said that he could have managed his department with 60 per cent of its staff and only 75 per cent of its budget. He pointed out that the Auditor-General can scrutinise the financial regularity of departments but he has no power to consider whether programmes are "ill-conceived, badly planned or executed, or give meagre value for money." Westerman further pointed out that—

" . . . the most wasteful, extravagant, foolish and ill-planned activities are frequently 'regular' in a technical sense. Indeed, the standards of traditional regularity might be quite irrelevant to a rational critique of modern administration."

Those are harsh words and I can only hope that they are said more in an Australian Government context than they would be in a Queensland Government context.

This Bill comes to us in two major parts, referring to financial administration and audit procedures. I would like to make some reference to both. However, before doing so I take leave to make passing reference to one other matter that has long interested me. To my knowledge, no Auditor-General's report, no Treasurer's statement and no annual report to Parliament ever tells us anything about Government fixed assets. We are told of a department's activities and plans, cash movements and fiscal intentions, as well as reports upon them, but never details of land, buildings, motor vehicles or major capital items—and I can never understand why.

I could readily concede the enormity of making a full list of everything the Government owns over the length and breadth of Queensland. It would be quite impracticable to ask for such a list to be compiled. But mention of assets is so assiduously avoided, even in reports where they could be mentioned, that I wonder if it is deliberate policy to do so or if there are reasons, the logic of which escapes me, to do so. Certainly I believe that we are entitled to know something about the State's assets. I would be interested to know why they are never referred to in any reports.

Turning to the major section of the Bill, that of financial administration, I would imagine its greatest impact is on accountable officers. This spells out in clear detail the responsibilities of senior public servants—usually the permanent heads—and places upon them a clear responsibility in financial administration and budgeting.

On turning to the Auditor-General's explanatory notes, we are told that the accountable officer—

" . . . will be required to submit annual departmental appropriation accounts giving an accounting to Parliament of his stewardship. These accounts will be certified by the Auditor-General who will be responsible for seeing that these reports have been properly drawn up as to present a true and fair view—that they represent complete financial reporting. This system is based on established practice and procedure in the United Kingdom."

It could well be that this is in many ways only formalising procedures that have been recognised and adopted for many years. Nevertheless it is proper that accountable officers be recognised and their responsibilities be so defined. I believe that senior public servants would welcome this new provision in the Bill.

Embodied in the Bill itself, and argued in the explanatory notes, is the question of cash or accrual accounting. The difference, I would imagine, would be readily understood by members here. If we have accrual accounting, accounts that are unpaid at the end of the year or, indeed, sums that are owed, are brought to account. The Premier, of all people, would well know that most—indeed all—business enterprises are run on an accrual system.

In clear contradistinction, State finances are run on a cash accounting basis, the explanation being that Parliament, which is the custodian of the public purse, is interested in what has actually been spent and what has actually been brought in. It has less interest in what is outstanding or what is owed. This system is so widely defended and so widely used in most countries that it would be temerity on my part to suggest that it is the wrong system, and not for a moment would I do so. However, it does produce a weakness and I think we have all had some experience of it.

When we are moving towards the end of a financial year, a department sometimes finds that it has not spent its Vote; that indeed very significant funds still remain unspent. We know that, at the end of the financial year, any funds that are unspent then lapse and the department loses the use of them. In those last few hectic months, it sometimes comes about that departments spend their money and make some use of it rather than lose the Vote, and in those circumstances the money is not always put to the best possible use. I say that that is one of the weaknesses of cash accounting.

I concede readily that the Auditor-General recognised that weakness either in the notes on the Bill or when he addressed the Accountants' Society, when I was pleased to be in attendance. He said that if there were abnormal expenditures or abnormal irregularities, they would be commented on in his report. As long as they are commented on in his report, we can expect regular spending, disciplined spending and sensible spending throughout the whole of the financial year instead of the mad spending that we sometimes see.

It is interesting that section 17 of the 1874 Act allowed three months after the end of the financial year to discharge obligations. The Bill permits only 14 days. So certainly the flexibility is reduced, although in fact I would suggest that the axe long fell on departments and it would probably be many years since they enjoyed this luxury of the three-month flow-over into a new financial year.

The section under "Financial Administration" redefines "Consolidated Revenue", "Loan Fund" and "Trust and Special Funds" and it is important that these be defined. But the Act also defines in greater detail the significant role that Parliament plays as the custodian of the public purse, and it relates also to the head of our power—the Constitution Act. It always seems to me a pity that when people talk about the functions of Parliament they see it as a legislative body and as a forum, but they do not often enough see it as the ultimate power over the public purse. They do not see that it is Parliament that approves rates of taxation; that it is Parliament, through Estimates and Appropriation Bills, that approves the expenditure of public moneys. A power that has long resided in us is spelt out in greater detail in these sections.

The Bill also gives the Treasurer powers to invest and, while they have been referred to on past occasions, I think they are now more clearly defined. It is important that they be clearly defined because in latter days we have realised what a bonanza the short-term money market is, and it must be placed beyond any legal doubt at all that it is proper to use the short-term money market. In the last year of operation covered by the Auditor-General's report we are told that that market alone brought into the State the princely sum of \$15,057,119.33.

The Bill further defines the Treasurer's relationship to his accountable officers, laying down the instructions that a Treasurer must give to those officers and, in the fullness of time, the structure of an accounting manual that the Treasurer must make available to them. There can be nothing but good sense in proposals such as that. Accountable officers will understand the requirements of the Treasurer of the day. Clear guide-lines will be laid down. I would imagine that lines of communication will be ever so much better, and it is good sense that those provisions be put into the Act.

I refer now to the second section of the Act which covers actual audit procedures, and it is not necessary to comment upon all of those in detail. They are sensible, timely and lead to streamlining of procedures. I suppose it is some compliment to the old Act that the measure still embodies some of the original proposals. It does say that the Auditor-General has an incapacity for other positions and lays down—I suppose it almost does not have to be said, but it is nevertheless spelt out—that he cannot be a member of any Parliament. Recognising the fact that the Territories—the Australian Capital Territory and the Northern Territory—now have their own Assemblies, I suppose if we embargo the Auditor-General from being a member, say, of the Western Australian Legislature, we should also embargo him from being a member of the Assemblies in any of the Territories.

It is significant that even in a Bill as comprehensive as this no attempt is made to lay down audit procedures and techniques and this is, of course, no mere oversight. It is quite deliberate, and I agree that there should be no such attempt to define them. The Auditor-General must have an open charter. He must have the absolute maximum opportunity and freedom to peruse accounts and transactions of the Government, and to attempt to define the procedures and techniques would be to limit him, and I therefore am pleased that there is no reference to those things in a definitive form. It is also provided that the Auditor-General himself—his own department—will be audited by a public accountant, and it is pleasing to note by way of amendment now distributed to us that we are going to pay that public accountant for that work so executed. That in itself is an important

proviso because it must be seen that even the Auditor-General is not beyond scrutiny and, like Caesar's wife, he must be beyond reproach.

The Act also entrenches the Auditor-General's reports on the Treasurer's Financial Statement and on departmental accounts. That is a continuance of what we have long enjoyed, and I suppose in passing we should pay a compliment to the Auditor-General on the speed with which those documents become available to us each year, their clarity and the number of things upon which comment is made in a very clear way. I would say, Mr. Speaker, on behalf of many of my colleagues, I am sure, that this Bill is to be commended and welcomed with great enthusiasm, and it is probably the better for the waiting.

I conclude by making three observations. It always seems a pity to me that we restrict ourselves in a Budget debate to talk only about annual expenditures. It is an inflexibility that we impose upon ourselves. We should look further forward than one year. I believe that at any time we should have goals to find three or four years hence, and that each year those goals should be looked at critically and have adjustments made to them.

The Auditor-General's role is to see that funds are properly spent and that they are consistent with their heads of power. But as long as those two criteria are met, he has no involvement in the good sense, sometimes, with where moneys may be spent. I still believe that there is a good case to be argued in favour of a public accounts committee which would look at public expenditure not on the basis of whether it is being spent properly, but on the basis of whether it is being spent prudently and in the best possible way. One could give many examples of how that could be done.

The third point I would refer to is the emphasis—or lack of emphasis—on operational or efficiency auditing. In his paper, the Auditor-General defines operational auditing as that which looks at the economy and efficiency of departmental operations; the management of resources such as personnel, property, space and the like; and the adequacy and effectiveness of management information systems, administrative procedures and organisational structure. But for reasons that he sees as respectable, he does not particularly favour efficiency auditing.

From some discussions that I have had with senior public servants, I believe that their reservation is founded on very substantial grounds. They instance cases in the United States of America where the Comptroller-General in fact acts far beyond the role of public servant but is involved heavily in policy-making and in the politics of the day. I am sure that that would be anathema to each and every one of us, and if that was the only interpretation of efficiency accounting we would share their opposition.

I enter no plea for efficiency accounting, but one should refer to the comments made upon it by the Royal Commission on Australian Government Administration. Its comments stated—and I read only one paragraph—

"If, as the Commission proposes, departmental managers are to be given a clearer responsibility for their managerial functions and greater freedom and discretion to perform them, it will be the more important that the quality of their performance should be subject to critical review. The Commission proposes, therefore, that there should be a regular program of efficiency audits in which departmental performance will be assessed. These assessments should be so designed that they would bring before ministers, Cabinet and Parliament both the assessment itself and the data on which it is based. Such a presentation would, at least to some extent, make the assessment open to public examination and comment. It would also clearly establish the primacy of political responsibility for administrative efficiency, including not merely that of the minister and Cabinet but also that of Parliament, which many observers consider has in recent decades been significantly eroded."

I would point out to the Parliament that the present Federal Government has made no decision upon any of the recommendations of that royal commission, and it could well be that it, too, rejects efficiency accounting. Nevertheless, there is an argument in its favour in the report of the commission itself, and I do believe it is worthy of some comment.

Having made those observations, I repeat what I said at the outset—that this is legislation of great significance, and Sir Alan Sewell in particular, who played such a great role in its framing, is to be commended upon it.

**Hon. W. E. KNOX** (Nundah—Deputy Premier and Treasurer) (5.29 p.m.): I should like to enter the debate at this stage because this legislation, although it is being introduced by the Premier, has enormous impact on the finances of the State and the supervision of the finances of the State.

This is one of the most important Bills to come before the House in recent years for it gets to the very kernel of parliamentary control of the public purse and the accountability of the administration for the moneys granted to it by Parliament. As befits the importance of the matter, honourable members have been given an adequate opportunity to study the contents of the Bill.

The Bill imposes upon the Treasurer the responsibility to prepare and lay before the Legislative Assembly, as soon as practicable after the commencement of each financial year, Estimates of the Probable Ways and Means and Expenditure of the Government for that year. The Treasurer is also required to indicate in these Estimates-in-Chief the

proposed expenditure classified under headings of the probable Votes, subdivisions and subdivisive items and the probable ways and means of financing that expenditure.

The Bill preserves and continues the existing practice whereby the Treasurer is responsible for the form in which the Estimates-in-Chief are prepared and presented to the Assembly. In carrying out this central responsibility, the Treasurer, of course, is subject to the authority of the Legislative Assembly and to the influence of the Committee of Supply to which the Estimates are referred by the Assembly.

Let me express the importance of the Estimates-in-Chief. They, together with the Treasurer's Annual Statement, are the main official documents bearing on public expenditure. They serve purposes of parliamentary, Treasury and departmental control of public expenditure, of departmental financial management, and of public understanding of the problems of Government finance. But the Estimates have an anterior importance because the form of the Treasurer's Annual Statement and the departmental appropriation accounts is necessarily determined by the form of the Estimates on which Parliament grants Supply. In other words, departmental accountability to Parliament is primarily in terms of the data included in the Estimates. Hence the Estimates are indeed the pivotal point in any system of control of public expenditure.

It seems to me that, once this Bill becomes law, it will be a most opportune time to have a look at the form of the Estimates and their use in the control of public expenditure. This I intend to do.

This matter of the best means of controlling the public purse is a subject which has been and is exercising the mind of most Parliaments under the Westminster system. It has been the subject of a great deal of research and experimentation, not all of which has produced happy results. Indeed, I have gathered the impression that no Parliament has yet really found a truly satisfying answer to this difficult and complex problem. It might be of use to the House if I were to briefly explain some of the work done overseas in this matter.

In the United Kingdom, a Select Committee of the House of Commons, designated "Estimates Committee", was appointed each year since 1912 to review the Estimates as a condition precedent to their discussions in Committee of Supply. Until 1960, its function was "to examine such of the Estimates presented to the House as may seem fit to the Committee and to report what, if any, economies consistent with the policy implied in those Estimates may be effected therein." In 1961 the committee was given added responsibilities and was required to consider the principle variations between the Estimates and those relating to the previous financial year and the form in which the Estimates were presented to the House.

In 1971 the work of the committee was reorientated to take account of a new procedure whereby five-yearly projections of public expenditure were published annually in the form of a White Paper and debated by Parliament. The Estimates Committee was restyled the Expenditure Committee with amended terms of reference to enable the committee to focus its attention on public expenditure rather than Supply Estimates and to examine a wider selection of the issues arising in this field. The committee was not debarred from considering policies behind expenditure figures, a function which it did not previously have.

The change from an Estimates Committee to an Expenditure Committee was the culmination of a sequence of developments that had been going on for many years following the report of the Plowden Committee.

Following the recommendations in this report, a review is conducted annually by the Treasury and the major spending departments through the machinery of the Public Expenditure Survey Committee. These reviews cover the expected trend of public expenditure for a period of five years ahead, for which purposes the figures are analysed both by functional head and by economic category. The aim of the reviews is to enable Ministers to fix broad planning limits for each block of expenditure for the coming five years. When this is done, departments can adjust their policies so as to be able to keep their expenditure within the agreed limits.

The committee draws up an annual report in the form of a White Paper for presentation by the Chancellor of the Exchequer to Parliament. The emergence of this White Paper setting out in detail the whole of the Government's strategy for the public sector in the short and medium term and an account of the plans and objectives of all major developmental programmes during those terms is a major development in the control of the public purse.

Whilst the Estimates are still the constitutional basis on which authority for expenditure on departmental programmes rests, there is a marked divergence between the form of those Estimates and the form of the annual White Paper prepared by the committee. However, attempts have been made in recent years and are continuing to bring the two closer together. This is being done gradually in connection with a planned analysis and review programme (generally referred to as P.A.R.).

P.A.R. was adopted for use in the United Kingdom in 1971 on a selective and experimental basis. This followed the disillusion experienced in the United States after the over-ambitious decision to introduce the Planning Programming Budgeting System in all agencies and departments in 1965.

The central feature of P.A.R. is that it is an approach to decision-making which uses all existing techniques of cost appraisal and

measurement and seeks to apply them to alternative methods of achieving determined aims.

P.A.R. is being increasingly integrated into the main public expenditure control system in non-hurried step-by-step evolution. It has made a promising start and remains a hopeful field for further development of the present system. Whether, of course, it will be the answer to the problem, time only will tell.

In Canada there is serious concern with respect to effective parliamentary control of the public purse.

Before the impact of the reports of the Royal Commission on Government Organization (Glassco) in the early 1960s, the Estimates were prepared in terms of responsibility and objects of expenditure, somewhat similar to the Queensland practice. Glassco focussed attention on why the money was needed and recommended that all activities of Government would be disclosed as separate programmes; that programmes of like nature would be grouped under one Vote; that Votes of a similar functional nature would be consolidated in the "Summary by Functions and Services" and that the total be presented in the "Summary by Functions". Thus it was hoped that the parliamentarian would be in a position to analyse the Estimates, proceeding progressively from informative detail on each programme to meaningful global totals.

Glassco made proposals regarding improving the process of resource allocation and recommended that departmental Estimates be prepared on the basis of programmes of activity and that more objective standards for analysis and comparison be developed and employed in the review process.

The Canadian Government adopted and implemented the Glassco recommendations. It also adopted and implemented the Planning, Programming and Budgeting System. The Estimates for 1970-71 were prepared in this format. Detailed information for each of the Votes existing before 1965 was dropped altogether and replaced by activity schedules and narrative statements of objectives and descriptions of programmes.

Following the appointment of a new Auditor-General in Canada a comprehensive examination of the Government's financial management and control systems was commenced in 1974. The Auditor-General was assisted by staff of his department with outside help from 34 accountants from 16 public accounting firms from across Canada. The Auditor-General reported in his annual report for 1974-75 that the study identified many deficiencies in the systems of Budget preparation and control, of financial reporting, of control over financial transactions, and in internal audit.

I draw special attention to the study's finding with respect to the form of the estimates, and I quote:

"Changes in the form of the Estimates over the last 10 years have seriously reduced the effectiveness of Parliament's control over government expenditure, because the reduction in the number of votes and the broadening of the wording which took place was often not accompanied by appropriate supporting information."

The Canadian Auditor-General reported that the study lead to one clear conclusion: that the present state of the financial management and control systems of departments and agencies of the Government of Canada is significantly below acceptable standards of quality and effectiveness.

I think it is clear that the position in Canada is in a state of flux and obviously the mood for substantial change is in the air.

The United States also is not without its problems in this area. The first Hoover Commission in 1949 advocated a "performance budget" whilst the second Hoover Commission in 1955 advocated a "program budget". In 1949, that commission recommended that the Federal Budget be formulated in terms of governmental activities, functions, and programmes rather than in the terms of things bought. The major objectives of the proposal were to reduce the Federal Budget to a more understandable and meaningful form, and to facilitate legislative and administrative review and control by relating the units of work involved in any specific programme with their appropriate costs.

Following the Hoover Commission Report, the National Security Act was amended in 1949 to provide for performance budgeting in the Department of Defence. A planning, programming, budgeting system (P.P.B.S.) was developed in that department in 1950. President Johnson instructed that P.P.B.S. be introduced into the civil area in 1965.

Great expectations for the comparatively new P.P.B.S. system were held by President Johnson when he announced that the objective of the programme was simple: to use the most modern management tools so that the full promise of a finer life can be brought to every American at the least possible cost. He stated that the programme was aimed at finding new ways to do new jobs faster, better, less expensively; to ensure sounder judgment through more accurate information. He also stated that, once the new programme was in operation, it would enable the nation to—

- (1) Identify its national goals with precision and on a continuing basis;
- (2) Choose among those goals the ones that are most urgent;
- (3) Search for alternative means of reaching those goals most effectively at the least cost;
- (4) Inform itself not merely on next year's costs, but on the second, and third, and subsequent year's costs of its programme; and

(5) Measure the performance of its programme to ensure a dollar's worth of service for each dollar spent.

These were worthy objectives but I think it would be fair comment to say that mixed results flowed from the introduction of P.P.B.S. in the civil area in the States. One writer has described the American system as resulting in enormous labour and the generation of large quantities of printed paper, but little visible improvement in the techniques of decision-making. He stated that it was remarkable that the disillusion which followed did not put an end to all activity on P.P.B. in the United States. He pointed out that modified programmes still remain in operation though he expresses the opinion that it is too early to judge whether results are commensurate with even this still considerable effort.

Perhaps the American problems were particularly difficult because of the division of powers, and the interrelationship between the Congress, the President, and the agencies which has no parallel under the Westminster system. Indeed, I would suggest that, because of these constitutional differences, we must be wary in trying to graft the American system into the Westminster system.

I have quoted the experience in the United Kingdom, Canada and the United States to make two points, namely—

(1) That the matter of control of expenditure by the Parliament and the administration has been the subject of wide study and effort in most major countries; and

(2) That there is, as yet, little evidence to show that any country has produced a system which can be said to have been tried and proven over a long period.

Now, turning back to Queensland, there has been little basic change in the form of the Estimates or in the procedures followed in the House in dealing with those Estimates since the commencement of responsible government in this State. The Estimates are presented to the Legislative Assembly by the Treasurer and are debated over the allotted period by the Assembly sitting as a Committee of Supply. The Treasurer, as the Minister with central responsibility in this field, ensures uniformity in the principles and practices applied by each department in the estimating process and preserves comparability between years of expenditure for similar services.

The Approved Estimates for 1976-77 comprised 95 Votes with respect to expenditure from the Consolidated Revenue Fund, 142 Votes for expenditure from the Trust and Special Funds, and 16 Votes for expenditure from the Loan Fund. The greater the number of Vote headings the greater the number of resolutions to be voted by Parliament but, on the other hand, the fewer the number of Votes over which the total amount appropriated by the Appropriation Acts is spread, probably the weaker would be Parliament's control over the destination of the moneys so appropriated.

With the significant growth in governmental operations, the substantial delegation of financial administration to departments and the increasingly large-scale use of electronic data-processing, there must necessarily be adjustment of concepts, procedures and techniques of financial administration. This raises the question: are the Estimates, presented to the House in the traditional form, prepared in a form which is suitable for the needs of these times? What alternative forms are available? In the field of budgeting, as indeed in many other fields today, few terms have simple and clear-cut meanings. Whilst it may be said that there are four categories of budgets or budgeting systems, I believe few systems used elsewhere are clear examples of any one of those categories. The four systems available are—

1. The Item or Subjective Budget, in which the items or objects for which the proposed expenditure are clearly specified. Subjective classification of expenditure is not concerned with the objects of the expenditure but only its intrinsic nature—for example, salaries, postage, travelling expenses and so on. This is the system which we presently follow in this State.

2. The Programme Budget, which sets forth the proposed expenditure under programmes, goals, purposes, functions, activities, or objectives. This type of budget also includes a breakdown of that expenditure under item or subjective headings.

3. The Performance Budget, which is the programme budget with information included on the level of service that is to be provided. To develop a performance budget, it is necessary to develop realistic measures of output and determine and measure an appropriate level of service.

4. The Planning Budget, which is designed to show the relationship between the policy objectives of the Government and the activities of Government. It purports to be a tangible form of the effort to develop effective techniques for linking long-range planning and budgeting in various Governments. Included under this category would be the American P.P.B.S. and the modified British system of Planned Analysis and Review System (P.A.R.).

As I have said earlier, the Bill commences with the imposition of a responsibility on the Treasurer to prepare and present the annual Estimates-in-Chief to the Legislative Assembly. The existing law and practice whereby the Treasurer is responsible for the form of the Estimates-in-Chief is preserved and continued. In the discharge of this responsibility I intend to make a comprehensive review of the form of the Estimates to see if we can't find a better means of their fulfilling their purpose of being an effective basis for parliamentary, Treasury and departmental control of public expenditure, departmental financial management and stimulating public interest and understanding. I believe

we can do better and find a new form which will be helpful to the House and more informative for the public generally. My feeling is that a programme budget, with a breakdown of expenditure under item or subjective headings, has much to commend it and I propose to ask my Treasury officers to examine the possibility of this new form with a view to more effective work in the financial administration of the State's finances.

There is much to be said for the doctrine of gradualism in public affairs. Perhaps the lesson to be learned from overseas experience is not to bite off more than one can chew. I am by no means satisfied that the systems of P.P.B.S. and P.A.R. (which I mentioned earlier) are, at present, proved as realistic and economic measures. We need to improve our measures of control and a modified form of budget might well be the first step to such improvement. I intend to hasten slowly, and I don't propose to slavishly follow overseas practice of doubtful validity and usefulness.

The Bill before the House is the first major proposed legislation in this field of financial administration since 1874. It was developed following a searching review of the laws and practices relating to financial administration and audit of major countries and States with parliamentary, executive and administrative systems based on the Westminster pattern. It contains proposals that are both logical and proper. The Bill makes it clear that overall financial responsibility begins and ends with Parliament. Parliament appropriates the moneys for the services of the State and it receives an accounting for such moneys through the Treasurer's Annual Statement, which is presented to and debated in the House. The reports made by the Auditor-General on the Treasurer's Annual Statement and the departmental and other accounts will assure the House of the integrity of financial accounting and reporting.

Change, for change's sake, is not progress. I believe that the Bill, whilst it does bring about substantial change, is based on the realism of our needs and requirements. It does not attempt to follow what has been or is being tried elsewhere but which is not yet proved to be effective; but it does accept tried and proven overseas experience in this field. I am certain that the Bill is a step in the right direction and will result in better financial administration and parliamentary control. Once the measure has been implemented and is operating to the Government's satisfaction, I would hope that we might look at broader measures in the light of experience elsewhere. Perhaps, at that time, there may be some clearer answers to the problems.

I join with the Premier in commending the Bill to the House.

Motion (Mr. Bjelke-Petersen) agreed to.

The House adjourned at 5.52 p.m.