

Queensland



Parliamentary Debates
[Hansard]

Legislative Assembly

WEDNESDAY, 17 SEPTEMBER 1980

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Mr SPEAKER (Hon. S. J. Muller, Fassifern) read prayers and took the chair at 11 a.m.

PAPERS

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

Report of the Queensland Housing Commission for 1979-1980.

The following papers were laid on the table—

Orders in Council under—

Industrial Development Act 1963-1979.

Water Act 1926-1979.

Harbours Act 1955-1980.

Regulations under—

Land Act 1962-1978.

Queensland Marine Act 1958-1979.

Fisheries Act 1976.

RAILWAY PROPOSAL

EXTENSIONS AND RECONSTRUCTION; COLLINSVILLE AREA

Hon. N. T. E. HEWITT (Auburn—Minister for Lands, Forestry and Water Resources) laid on the table working plan, section and book of reference for the construction of a branch line to connect the Newlands mine with the Collinsville branch railway, the reconstruction of the Collinsville branch railway and plan and section of a new branch line connecting the North Coast line with Abbot Point, together with a report of the Commissioner for Railways thereon.

The commissioner's report was ordered to be printed.

MINISTERIAL STATEMENT

INQUEST INTO MURDERS OF DOUGLAS AND ISABEL WILSON

Hon. W. D. LICKISS (Mt. Coot-tha) (Minister for Justice and Attorney-General) (11.3 a.m.): On 1 September 1980, I received a letter from the secretary to the Law Department of Victoria and a copy of a statement which the Coroner, Mr Kevin Mason, SM, read when delivering his decision into the inquest into the murders of Douglas and Isabel Wilson. I was advised that the coroner departed from the statement and I arranged for a copy of the actual statement to be obtained and also a transcript of the evidence placed before the coroner.

The transcript and the findings of the coroner have been thoroughly canvassed by a senior legal officer of the Solicitor-General's Office. This officer was also involved for a substantial period in the recent royal commission conducted by His Honour Mr Justice Williams of the Supreme Court of Queensland.

The situation is that a royal commission was recently conducted by Mr Justice Williams of the Supreme Court. That inquiry, which lasted over two years, made an exhaustive review of all matters relating to drug trafficking and enforcement of laws in relation thereto.

The only thing which emerged from the coronial inquiry was a suggestion that police officers in either New South Wales or Queensland passed on official information improperly. This matter has been the subject of investigation by a joint investigating group set up by the Commonwealth Minister for Administrative Services and the investigations of that body have not provided any basis for a suspicion of any improper practice by any Queensland police officer.

Having regard to the advice tendered to me and to the circumstances mentioned, I consider that any further inquiry is not warranted and I so recommend. What has now to be done is to give effect as quickly and as far as possible to the recommendations of the royal commission.

REPORT OF COMMITTEE OF SUBORDINATE LEGISLATION

Mr McKECHNIE (Carnarvon): I lay on the table of the House the tenth report of the Committee of Subordinate Legislation, and I move that it be printed.

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

QUESTIONS UPON NOTICE

1 & 2. GIBSON'S TANNERY, STAFFORD

Mr Gygar asked the Minister for Local Government, Main Roads and Police—

(1) Are the foul smells released by Gibson's Tannery in Stafford caused by gases and fumes and therefore air impurities giving rise to air pollution under the terms of s.7 of the Clean Air Act?

(2) Is it not true that aeration equipment and other processes considerably reduce these offensive smells, as the tannery operators have acknowledged over recent years?

(3) As the irresponsible management of Gibson's Tannery has not installed such equipment and is therefore in breach of Part IV, s.31 of the Clean Air Act, which requires industry to use such practicable means as may be necessary to

prevent or minimise air pollution, has it been prosecuted under the Act and, if not, what is the reason?

(4) As it is well known that continuous exposure to overpowering obnoxious smells causes both mental and physical distress leading to nervous reactions, headaches, etc. and therefore constitutes a health hazard, will he call for a report under s.37 of the Clean Air Act with a view to issuing an order to close down this tannery until the management installs reasonable anti-pollution equipment?

(5) If none of the above steps are possible, will he urgently introduce the legislative amendments which were requested by 1 500 residents of the Stafford area in petitions which I have presented to this Parliament?

Answer:—

(1) Yes.

(2) Yes, it is true.

(3) The company has not been prosecuted. Aeration equipment has been installed. The first such equipment was installed in October 1973, when the effluent was accepted into the Brisbane City Council sewerage system. Additional aeration plant has been added progressively, the last unit being in operation in September 1978. Currently, the company has been asked by the Air Pollution Council to install further aeration equipment.

(4) There is no evidence that the intermittent odour has caused health problems, and the question of closing down the tannery for health reasons does not arise.

(5) The Clean Air Act contains in section 28 the power to institute procedures or processes. The locating or relocating of industry in relation to residential areas is a local authority type function, and therefore not likely to be included by Parliament in the Clean Air Act. Accordingly, no such amendment will be sought.

Mr Gygar asked the Minister for Justice and Attorney-General—

What are the names and addresses of the directors of Wm Gibson and Sons Pty Ltd, which operates Gibson's Tannery in Stafford Road, Stafford?

Answer:—

According to information in the public register in the Office of the Commissioner for Corporate Affairs in Brisbane—The names and addresses of the directors of William Gibson & Sons Pty Ltd are:—

Joseph Randolph Gibson, 4 Allambee Court, Drane Street, Clayfield; Oliver Blackband Stevens, 250 Newmarket Road, Wilston; Gordon Rodney Fraser

Gibson, 22 El Paso Street, Bardon; Donald Roy Gibson, 17 Victoria Gardens, 297 Edgecliff Road, Woollahra, N.S.W.; Joseph Moffat Gibson, 59 Gordon Street, Hendra.

The business name "Gibson's Tannery" is not registered.

3. EFFECT OF ALP POLICY ON PRIVATE ENTERPRISE

Mr Gygar asked the Premier—

(1) Is he aware that recently the Leader of the Opposition has on more than one occasion declared himself in favour of private enterprise when addressing groups of businessmen and Rotary clubs in various parts of Queensland?

(2) Is he also aware that the State Labor conference held at Rockhampton last year adopted a motion that an ALP Government in Queensland will take all steps necessary to protect and expand the public sector in this State, recognising that a thriving public sector, including State-owned enterprise, is a practical and responsible method of ensuring that the resources of Queensland are enjoyed equally by all Queenslanders, and that under the rules of the Australian Labor Party in this State all decisions of such conferences are binding on the parliamentary members of the ALP, including its parliamentary leader?

(3) Would the implementation of such a policy have an effect on private enterprise in Queensland?

Answer:—

(1 to 3) I am sure that even the less experienced members of this House are aware that certain political figures in this State—and they are not confined to the ALP—are prepared to promote ill-considered policies designed, often on the spur of the moment, simply to sway voters at election-time. The pace and success of Queensland's development can only be assured by the decisive, realistic policies pursued by the National Party at the head of coalition Government.

4. NORTH QUEENSLAND RAIL SERVICES

Mr Row asked the Minister for Transport—

(1) What are the present circumstances surrounding recent industrial action taken by Townsville railwaymen and does he see a solution to the alleged short staffing which could affect the rail services in the Northern Division?

(2) Will action be taken by the Railway Department to ensure meeting the demand

for RACE containers to be made available to agricultural and horticultural producers who wish to patronise the railway freight services, thus increasing the profitability of the railways?

Answer:—

(1) Arrangements are in hand to fill existing vacancies for trainmen at Townsville, including the appointment of two additional drivers, firemen and guards. There has been a levelling off of the work required to be performed by Townsville trainmen and this, together with the filling of vacancies, should have a significant bearing on staff requirements.

(2) The 492 RACE containers owned by the NSW railway system are made available not only to Queensland for the conveyance of fruit to interstate destinations but also to other Australian railway systems. The distribution of these containers is monitored by the Railways of Australia Central Wagon Control Office and the requirements of this State will continue to be kept before that authority, with a view to ensuring maximum possible allocation of RACE containers for use in the North Queensland fruit traffic.

To increase the availability of containers for use in the conveyance of this traffic, the Queensland Railway Department, in association with the New South Wales system, has placed an order for the manufacture and supply of 100 refrigerated containers, 19 of which have been delivered to date.

5. PETROL PRICE DIFFERENTIALS

Mr Fouras asked the Premier—

(1) Is he aware of the promise by the Prime Minister, made on 21 November 1977, that the price differential for petrol for rural areas would be kept to 1c per litre?

(2) Is he also aware that in 1979-80 the Federal Government paid \$123,000,000 to the oil companies for petrol equalisation?

(3) Does he believe that Mr Fraser has kept his promise and that the \$123,000,000 hand-out to the oil companies is being well spent when there are large areas of Queensland with petrol price differentials in excess of 10c per litre?

Answer:—

(1) Yes.

(2) Yes.

(3) Yes. It is pointed out that the price differential for petrol sold in rural areas mentioned by the honourable member refers to the wholesale price structure. The maximum wholesale price in any State country area is not more than 0.44c per

litre above the respective capital city Prices Justification Tribunal approved maximum wholesale price. The variation in retail price differentials is a result of the differing mark-ups applied by individual retailers.

6. LOCAL AUTHORITY LOAN FUND ALLOCATIONS

Mr Fouras asked the Deputy Premier and Treasurer—

(1) Is he aware that the majority of local authorities are having extreme difficulties in raising their loan fund allocations because of the tight liquidity situation?

(2) Is he concerned that this inability, added to the higher interest and redemption payments and sharply increased fuel costs, is causing sharp contractions in local authority works and consequently declining job opportunities?

(3) Will he consider the possibility of State Government involvement in raising the total local government loan fund allocation?

Answer:—

(1) I am aware that, as has been the case in recent years, local authorities are finding it difficult to raise their loan programs. However, the situation at present is better than it was at this time last year, which itself was a record year in terms of loan raisings. In this regard, the larger semi-governmental bodies have raised \$116m to date compared with amounts of \$62m, \$98m and \$46m raised respectively in the same period in each of the last three years. At the same time the smaller local bodies have raised \$16m to date compared with raisings of \$4m, \$10m and \$6m to the same point in time in each of the last three years. I am, however, monitoring the situation closely.

(2) Naturally, I am concerned about the effects of high interest and fuel costs, both of which are the result of factors outside of State Government control. So far as job opportunities are concerned, it has been the clear policy of the Government in recent years to direct the maximum possible amount of funds from revenue to capital projects. Over the last five years to the current year, some \$350m has been so diverted concurrently and additional to these payments State funds were provided under the State's approved local authority capital subsidy scheme, which have amounted to \$97.9m over the last three years.

(3) The Government is already vitally involved in assisting with the raising of local authority loan programs. In this regard the Government actively assists

local authorities from the investible funds available to it. In the last year, assistance from these sources totalled \$77m.

Furthermore, in an innovative market development not yet repeated in any other State, Queensland introduced the concept of the Joint Government Authority Loan. Under this technique \$80.7m has been raised in the last 14 months. To the extent that these raisings tap new fund sources, the concept has the added benefit of improving the capacity to raise funds of other local authorities borrowing on a private treaty basis.

7. COMMERCIAL MANUFACTURE OF
BOOMERANGS

Mr Fouras asked the Minister for Aboriginal and Island Affairs—

(1) Is it a fact that some two years ago his department in Brisbane began to reject authentic mahogany boomerangs made by Aborigines in Bundaberg, which his department had previously been purchasing?

(2) Is it correct that his department then began to purchase inferior products from white manufacturers in Bundaberg and Childers, and that these manufacturers make a substantial profit from these sales?

(3) Will he undertake to investigate this matter thoroughly with a view to disclosing the facts and exposing any staff guilty of collusion in this matter?

Answer:—

(1 to 3) Queensland Aboriginal Creations, which specialises in Aboriginal artefacts, over many years of faithful trading has established within trade and public circles a considerable reputation for the quality of its merchandise. Inferior standards will not be accepted for distribution under the trade name any more than my department will be associated with promotion of any second-class image of Aboriginal people, as advocated by the honourable member.

Quality and authenticity have always been the paramount factors and I say quite positively that no article has been rejected other than in keeping with this policy. Further, suppliers are not bound to sell only to Queensland Aboriginal Creations.

Queensland Aboriginal Creations functions to promote Aboriginal enterprise and has done so successfully. It is subject to the normal trade laws of supply and demand and additionally to oversight of the Auditor-General in its financial activities. All profits are directed back to Aboriginal welfare.

I regret the honourable member's attempts to attack in this House, by imputation, Aboriginal and other staff

where they have no opportunity to defend themselves by action for defamation. Even the desperation induced by election jitters does not justify this.

I challenge the member, if he has any worthwhile facts, to give them to me and I will have them investigated by the Queensland police. Otherwise I expect, as elementary decency, that he will apologise to the people he has so irresponsibly maligned.

8. BUNDABERG/ISIS IRRIGATION SCHEME

Mr Powell asked the Deputy Premier and Treasurer—

(1) Has his attention been drawn to a statement made by a Bundaberg businessman claiming that the State should use loans from Arabian oil sources to complete the Bundaberg/Isis Irrigation Scheme.

(2) In view of the very slow progress on this vital scheme because of the tardiness of the Federal Treasury to provide funds, does the suggestion made have any merit?

Answer:—

(1) No, I have not heard of the availability of Arabian oil money from any Bundaberg businessman.

(2) Without knowing the details of the funding proposal, it is difficult to comment. However, it is my experience with offers of low-cost funds from exotic sources that either the funds being offered do not exist or they are offered on terms and conditions which are unacceptable to the Government.

9. THABEBAN STREET LEVEL CROSSING,
BUNDABERG

Mr Powell asked the Minister for Transport—

When will flashing warning lights be installed on the busy Thabeban Street level crossing in Bundaberg?

Answer:—

These lights will be brought into operation before the end of October 1980.

10. ADULT EDUCATION

Mr Powell asked the Minister for Education—

(1) When was adult education absorbed into the Technical and Further Education section?

(2) Prior to amalgamation, how many officers were employed as adult education officers?

(3) In what classifications were they placed?

(4) How many officers are now employed by TAFE as adult education officers or their equivalent?

(5) What is their present classification?

Answer:—

(1) By Cabinet decision, adult education was integrated with technical education to become Technical and Further Education effective from 1 January 1977.

(2) 16 officers in 10 centres.

(3) 9 district organisers, and 7 assistant district organisers.

(4) It is not possible to specify the exact number of officers working this area as senior staff and other staff as required in colleges of technical and further education contribute significantly in the planning and provision of programs throughout college districts.

(5) Those officers, whose duties might be best equated with those formerly undertaken by district and assistant district organisers, hold the classifications of Officer-in-Charge, Extension Programs or Co-ordinator, Extension Programs.

11. FUTURE ALP POLICIES

Mr Scassola asked the Premier—

(1) Does he agree that it is an insult to the people of Queensland for the Leader of the Opposition to ask Queenslanders to elect a Labor Government when it is known that the Parliamentary Labor Party is subject to direction by its organisation on policies it puts forward and implements, and when the Leader of the Opposition cannot tell Queenslanders which of the "old" or "new" guard will emerge as the controllers of the Labor Party once the false truce ends after the election and the battle between the two factions of the Labor Party resumes more vigorously than ever before?

(2) Will he agree that the socialist Left may well emerge as the victors in the battle and order the Leader of the Opposition not to proceed with some of the policies he put forward at the election but to impose even greater socialist policies on the Labor Party than those being put forward by the Leader of the Opposition now?

Answer:—

(1 & 2) In answer to the honourable member, I would like to say that Queensland has indeed been lucky over many years to be led in Government by a National Party that clearly recognises and respects the right of its elected parliamentary representatives to make decisions without domination by non-elected people.

12. FERNY GROVE RAILWAY STATION

Mr Milliner asked the Minister for Transport—

(1) Has he any plans to construct a new building at the Ferny Grove Railway Station?

(2) If so, what is the anticipated date on which construction is due to start?

(3) What is the total cost of the project and when is the estimated date of completion of the works?

Answer:—

(1 to 3) As a result of representations to me from my colleague the Honourable J. W. Greenwood, M.L.A., Minister for Survey and Valuation and member for Ashgrove, it is planned to construct a new building and upgrade the facilities generally at Ferny Grove Railway Station as soon as funding priorities allow. A concept design is now under evaluation, and until this is translated into an approved preliminary design no estimate of cost is available. It is hoped to undertake construction next financial year, but this will need to be reviewed in the light of other program commitments at that time.

13. CLAIMS AGAINST BUILDERS REGISTRATION BOARD INSURANCE SCHEME

Mr Milliner asked the Minister for Works and Housing—

(1) In the last 12 months, how many complaints have been received by the Builders Registration Board and how many builders have had their registration cancelled?

(2) In the last 12 months, how many claims have been made against the insurance scheme with the Builders Registration Board? How many of these claims have been settled and in each case what was the amount claimed and the settlement amount?

Answer:—

(1) In the 1979-80 financial year the Builders Registration Board received 2 322 complaints and 29 builders have had their registration cancelled. It would be of interest to honourable members to note that it has been estimated that over \$1m worth of rectification is carried out per year by builders following complaints to the board.

(2) During the same period 161 insurance claims have been made and of this number 93 have been approved by the board. I table a list of the insurance claims approved by the board. The difference in the amount claimed and amount approved arises because of the maximum payments the board can make under paragraphs (1) and (3) of the house purchaser's agreement.

Whereupon the honourable gentlemen laid the following list on the table:—

LIST OF INSURANCE CLAIMS APPROVED BY BOARD FROM 1 JULY 1979 TO 30 JUNE 1980

Claimant	Amount Claimed	Settlement
	\$	\$
McDiarmid	385.50	385.50
Millar	590.00	590.00
Jones	74.50	74.40
Nolan	465.00	465.00
Cavanagh	1,354.00	1,354.00
Allison	11,260.00	11,260.00
Evans	11,225.00	2,601.00
Mead	172.00	172.00
Fisher & McGill ..	699.00	699.00
Fielder	2,580.00	2,580.00
Gill	180.00	180.00
Van Diem	2,315.00	2,315.00
Wesener	822.00	822.00
Garcia	248.00	248.00
Carsley	3,115.00	3,115.00
Loursensen	5,497.00	5,497.00
Crawford	430.00	430.00
Foley	21,345.00	21,345.00
Evans	9,829.21	8,052.60
Cerins	20,623.00	18,013.50
Debono	200.00	200.00
Ferdorniak	420.00	420.00
Alexander	370.00	370.00
O'Boyle	1,837.00	1,837.00
Berkholst	2,642.00	2,642.00
Wise	6,422.00	6,422.00
Logan	9,110.00	9,110.00
Patton	554.00	554.00
Greetsma	2,280.00	2,000.00
Roberts	108.00	108.00
Driver	3,090.00	500.00
Enright	1,159.00	1,159.00
Kimlin & Wright ..	143.00	143.00
Wilton	900.00	900.00
Brand	2,600.00	2,600.00
Chung	285.00	285.00
Drew	45.00	45.00
Beliveau	347.56	347.56
Houlding	793.00	793.00
Young	5,520.00	5,520.00
Chapman	1,225.00	1,225.00
Fossey	5,986.24	5,986.24
Hughes	10,338.60	10,338.60
Cavalliotis	7,150.00	7,150.00
Howorth	14,643.00	14,643.00
Cleary	657.00	657.00
Williams	9,457.00	9,457.00
Walsh	8,698.00	8,698.00
Clements	13,871.00	13,871.00
Aueb	2,995.00	2,995.00
Nutt	3,805.00	3,805.00
Bothmann	2,309.85	2,309.85
Chadwick	2,500.00	2,500.00
Ivett	2,265.77	2,265.77
Muntz	2,100.00	2,100.00
Young	1,656.00	1,656.00
Rosin	640.00	640.00
McKenna	1,090.00	1,090.00
Howell	12,228.00	12,228.00
Lincoln	3,751.00	3,751.00
Whidburn	2,221.00	2,221.00
Van Der Poel	1,950.00	1,950.00
Lodge	1,620.12	1,620.12

Claimant	Amount Claimed	Settlement
	\$	\$
Dunn	6,050.00	6,050.00
Hutton	11,773.19	11,773.19
Klan	950.00	950.00
Furlonger	656.00	656.00
Kenyon	1,170.00	1,170.00
Fites	2,196.00	2,196.00
Brown	7,768.00	7,768.00
Fitzjohn	365.00	365.00
McLean	11,867.00	1,819.00
Jones	8,481.20	8,481.20
Rothe	450.00	450.00
Salzman	3,038.00	3,038.00
Wernowski	6,188.00	6,188.00
Merrin	11,265.50	11,265.50
Schwede	15,663.80	15,663.80
Eastick	1,810.00	500.00
O'Leary	732.00	732.00
Mead	147.00	147.00
O'Brien	604.00	604.00

14. ELECTRICITY SUPPLY, NORTH QUEENSLAND

Mr Milliner asked the Minister for Mines and Energy—

(1) Is he aware of the North Queensland Electricity Board circular dated 4 January headed "No Supplies—Working in the Rain" which, when referring to single consumers, stated, "Consideration must be given to leaving them without supply for a reasonable period, with a view to restoring supply during non rain periods.?"

(2) As the circular then stated that a reasonable period would be up to eight hours, what steps have been taken to ensure that this blatant form of discrimination against certain consumers is not continued?

(3) Do any other electricity boards discriminate against particular groups in this way?

Answer:—

(1) Yes. This was an internal memorandum issued by the North Queensland Electricity Board to its operating staff. The honourable member will appreciate that during times of inclement weather, flooding and periods of darkness it is not always possible for the board to restore electricity supply to isolated houses immediately. In any case, it is pointed out that action in accordance with this memorandum is only taken with a consumer's agreement. If a consumer requests immediate restoration of supply, then all possible action is taken by the board as soon as practicable.

(2) There is no discrimination. I emphasize that action is taken only with a consumer's agreement.

(3) See (2).

15. GAS TARIFF

Mr Austin asked the Deputy Premier and Treasurer—

(1) Is he aware that the cost of reticulated gas to consumers in the North Brisbane suburbs has risen dramatically in the past 12 months?

(2) What is the percentage increase in tariff?

(3) Why has the tariff increased so dramatically?

(4) Can any action be taken by the Government to control the increases?

Answer:—

(1) I share the concern of the honourable member in regard to the upward movements of the price of reticulated gas to North Brisbane consumers. I appreciate his bringing it to the attention of the House.

(2) Within the last 12 months the Brisbane Gas Company Limited, a company which supplies the North Brisbane area, lifted tariffs on 11 September 1979 by an average of 15.9 per cent to domestic users and by an average of 18.3 per cent to industrial and commercial users. On 14 March 1980, the company again lifted its tariffs. On this occasion the domestic tariff rose by 18.9 per cent on average and the industrial and commercial tariffs went up by 42.4 per cent.

(3) The cost of the gas supplied by Brisbane Gas Company Limited is dependent on the cost of naphtha, which in turn is influenced by the cost of the feedstock, being a combination of indigenous crude oil and imported crude oil. The movement of prices for oil refinery products is set by the Prices Justification Commission and the price of gas to North Brisbane consumers is a reflection of the increased price for oil products. Consumers in South Brisbane are supplied by another company—Allgas Energy Limited. This supply is dependent on natural gas which, in contrast to the North Brisbane situation, has a much more stable price structure.

(4) Neither the State Government nor Brisbane Gas Company Limited has any control over the movement of prices for oil refinery products. As mentioned, this control is within the province of the Prices Justification Commission. However, the Gas Examiner verifies the cost of producing the gas and controls the dividends payable by the companies.

16. AMENDMENTS TO CONSTITUTION ACT

Mr Austin asked the Premier—

As, according to the Constitution Act, a political party ceases to be recognised as such when it has fewer than 10 members elected to the Legislative Assembly,

does he approve of amendments to the Constitution Act that would allow the ALP Opposition status if they have fewer than 10 members after the 1980 elections?

Answer:—

I am not aware of any proposed amendments to the Constitution Act.

17. IWASAKI FRANCHISE AGREEMENT

Mrs Kyburz asked the Premier—

(1) Will he state categorically that the Co-ordinator-General has assured himself that each and every clause of the Iwasaki franchise agreement has been complied with by Mr Iwasaki and his development company?

(2) If he cannot give this assurance, which clauses have not been complied with and what is the reason?

Answer:—

(1 & 2) Under the terms of the Iwasaki Franchise Agreement, Stage I of the Yep-poon project is required to be completed in April 1984.

There is no reason to believe that the company will not fulfil its obligations under the terms of the franchise agreement.

18. DRUG SQUAD AGENTS

Mrs Kyburz asked the Minister for Local Government, Main Roads and Police—

(1) Are drug squad undercover agents usually male, and are they instructed to employ whatever techniques they choose to gain the maximum number of convictions?

(2) Have these agents deliberately formed sexual relationships with young girls in order to trick them into obtaining cannabis for them?

(3) Do undercover drug agents receive instruction in interpersonal relationships psychology or contraceptive techniques?

(4) How many raids have been made by the drug squad on "massage parlours" and what are their names?

Answer:—

(1) In the interests of the agents and the importance of the work they are performing, the sex and/or other particulars of such agents should not be disclosed. Whilst they perform duty under the supervision of a superior officer, their work as undercover agents is most difficult and often very dangerous.

(2) Allegations were made in respect of one agent and I have already referred to this matter in my statement to the House on 20 August 1980. The particular agent is no longer performing duty in respect

of drug investigations, and has been transferred to uniform duties. The agent concerned emphatically denied the allegation that he had sexual intercourse with the alleged offender. The senior officers of the Police Department have no knowledge of any allegations of a similar nature having been made against any other police agent.

(3) For obvious reasons, the instructions given to police agents are confidential, but instructions have been issued that their activities must at all times be closely supervised by superior officers who are experienced and responsible Drug Squad investigators.

(4) The Drug Squad has never raided a "massage parlour" as such. However, the premises of individual members of so-called "massage parlours", if suspected of drug involvement, would be the subject of Drug Squad attention.

Members of the Licensing Branch closely supervise the activities of "massage parlours" and they also give attention to the aspect of drugs at such establishments.

19. BREAKFAST CEREAL

Mrs Kyburz asked the Minister for Health—

(1) Does his department undertake any tests to determine the sugar content in commercially packaged breakfast cereal?

(2) What regulations govern the statements given on the side of cereal packages, and which State or Federal body ensures that the nutritional statements and table of contents are factual?

Answer:—

(1) The Health Department has not undertaken the examination of breakfast cereals for sugar content.

(2) The Food and Drug Regulations 1977 govern the statements given on breakfast cereal packages.

I will send the honourable member a copy of the regulations.

20. COAL PRODUCTION AND ROYALTIES

Mr Wilson asked the Minister for Mines and Energy—

(1) What was the total value of coal mined in Queensland from 1974 to 1979 inclusive and in 1979?

(2) What were the total royalties received from such coal from 1974 to 1979 inclusive and in 1979?

Answer:—

(1) The total value of coal mined in Queensland from 1974 to 1979 inclusive was \$3,358,793,190 and in 1979 it was \$748,380,127.

(2) The total royalties received from such coal from 1974 to 1979 inclusive were \$130,476,302 and in 1979 were \$32,509,059.

21. USE OF POLYCHLORINATED BIPHENYLS

Mr Wilson asked the Minister for Health—

(1) What are the limitations in Queensland on the use of polychlorinated biphenyls, also known as askarels or PCBs?

(2) If there are no limitations, what does the Government propose to do in future with regard to limiting their use, their removal from authorised areas, their safe storage and their ultimate disposal?

Answer:—

(1 & 2) There are no limitations on the use of polychlorinated biphenyls in Queensland.

The Division of Industrial Medicine of this department is active in advice to industry, both employers and employees, on the precautions to adopt in the handling of polychlorinated biphenyls at industrial level.

22. MASTERGUARD

Mr Wilson asked the Minister for Local Government, Main Roads and Police—

(1) Is he aware of a product called Masterguard, which is being promoted to householders as a household fire protection system?

(2) If so, has the product been investigated by the fire brigade to assess its effectiveness and, if so, what were the results of that investigation?

(3) As this product is being promoted to householders in such a manner as to cause fear in the minds of householders, and as the cost of full Masterguard protection is approximately \$600 per household, will he undertake a full investigation into this product to assess its effectiveness and report the results of such investigation to this Parliament?

Answer:—

(1 to 3) Masterguard Sales is the Australian distributor for a range of fire-safety equipment mainly designed for use in the home. Tests conducted by the Metropolitan Fire Brigade indicate that it operates satisfactorily under test conditions. The company has indicated that, whilst its detection system has been installed in many homes, there is no obligation involved in a householder participating in a fire-safety program with the company.

Reports to various departments and the fire brigade indicate that the sales tactics by some salesmen cause grave concern to

some people, particularly as the material used to "educate" people does create fear in many instances.

Several companies listed in the yellow pages of the telephone directory sell or will advise on household fire detection and protection equipment and any householder would be well advised to ascertain the availability of all such safety equipment, and the cost based on the extent to which installation is desired, in a manner similar to purchasing other household appliances.

23. PROPOSED TRANSPORT MUSEUM,
TOOWOOMBA

Mr Bourke asked the Minister for Culture, National Parks and Recreation—

(1) Is he aware of concern in Toowoomba and surrounding areas, and indeed among all people interested in our State's heritage, over the fate of the collection of horse-drawn vehicles accumulated in Toowoomba by the late Mr Bolton?

(2) What is the legal status of the collection?

(3) Will he see that action is taken by museum authorities to ensure that the collection is preserved and that it is used to form the basis of a comprehensive State transport museum based in Toowoomba?

Answer:—

(1) The position is that, following an approach in late 1976 from the family of the late Mr W. R. F. Bolton of Toowoomba, the Queensland Museum became the Government agency negotiating with the family to accept the Cobb and Co. collection as a part of the State's collection. Unfortunately, legal complications outside the control of the Queensland Museum or the Bolton family necessitated postponement of a satisfactory conclusion to the initial negotiations. Those legal complications have now been resolved and negotiations (which are still continuing) have recommenced recently with Mrs Marian Bolton.

(2) The collection is now the legal property of Banks Pty Ltd following its transfer from Fair-Go Transport No. 1 Pty Ltd (in liquidation). Banks Pty Ltd has nominated Mrs Bolton to determine the terms and conditions under which transfer to the State can be effected.

(3) While the Queensland Museum recognises the desirability of maintaining the collection in Toowoomba or in the eastern Darling Downs generally, and will do all within its power to achieve this objective, the prime responsibility in taking over the collection is to ensure its preservation. If continuing suitable accommodation cannot be found in Toowoomba

or within that general area, it may be necessary to temporarily store the collection elsewhere until a more permanent solution can be achieved in the Toowoomba area. It is the intention of the Queensland Museum Board to use the Cobb and Co. collection as the nucleus for a branch of the Queensland Museum, concentrating on the horse-drawn transportation era, and to develop such a project as funds become available.

24. YARRAMAN STATE SCHOOL

Mr Bourke asked the Minister for Education—

(1) Is he aware of the discontent existing in the Yarraman and Cooyar districts over long distance bus travel required of children attending grades 11 and 12, owing to the lack of grade 11 and 12 facilities at the Yarraman State School?

(2) In view of the expected increase in population as the Tarong Power House progresses, when does he anticipate the provision of grade 11 and 12 facilities at Yarraman?

Answer:—

(1) Yes. The difficulties attendant on the transport services are recognised. I have received a number of letters from organisations and individuals from within the community concerning the bus travel required by students who attend Years 11-12 classes at Nanango Secondary Department because these facilities are not available at Yarraman.

(2) Demographic surveys indicate that there will be a slight increase in secondary school enrolments at Yarraman during the construction period of the Tarong Power House but that there will be a subsequent decrease in enrolments following its completion.

In these circumstances it is not expected that enrolments at Yarraman would justify the provision of facilities for Years 11-12 courses. In a very small secondary department the range of subjects which can be offered is very limited and I have some concern that in such situations it may not be possible to offer courses which meet the needs, or the particular capabilities, of all of the students.

25. GATTON BYPASS

Mr Bourke asked the Minister for Local Government, Main Roads and Police—

(1) What is the current situation with regard to Main Roads plans for the construction of the Gatton bypass on the Warrego Highway?

(2) When will finance permit work to commence?

Answer:—

(1) Preliminary design has been carried out, and part of the resumptions have been effected on the route of the Gatton bypass on the Warrego Highway.

(2) No indication can be given at present as to the likely date of commencement of construction. It will be appreciated that the Warrego Highway is a national highway and, as such, it is funded exclusively by the Commonwealth Government.

As I have said many times, the funds provided by the Commonwealth Government for all road categories, including national highways, are grossly inadequate. The honourable member would be aware that the strongest possible approaches have been made to the Commonwealth Government for significant increases in road funding.

Until the Commonwealth Government is prepared to admit that there are massive needs on the road system, and is prepared to meet its obligations in relation to those needs, many projects such as the Gatton bypass will be in abeyance.

26. MILES-CONDAMINE SECTION,
LEICHHARDT HIGHWAY

Mr Neal asked the Minister for Local Government, Main Roads and Police—

What is the proposed program for the upgrading of the Miles-Condamine section of the Leichhardt Highway?

Answer:—

Because of the honourable member's continual efforts and representations concerning roads in his area, a scheme for the reconstruction and widening of 5.4 km of the Miles-Condamine section of the Leichhardt Highway will be released late in 1980. Further works will be considered in subsequent financial years as funds permit.

27. RAILWAY DEPARTMENT APPRENTICESHIPS

Mr Underwood asked the Minister for Transport—

For 1975 to 1980 inclusive and for each division of the Queensland Government Railways—

(1) How many State apprenticeships were offered and, in 1980, will be offered?

(2) How many applicants were there and, in 1980, are there?

(3) What is the number of employees both (i) full-time and (ii) part-time?

(4) In the Ipswich, Redbank and Mayne workshops (a) how many employees are employed, (b) how many apprentices (i)

State and (ii) Commonwealth are employed and (c) what are the details of apprentice transfers between these workshops and other districts this year and proposed for 1981?

Answer:—

(1 & 2) Details of the number of applicants for employment as trade apprentices and the number of positions offered are recorded in the annual reports of the Commissioner for Railways for the respective years. During the year ended 30 June 1980 (for which year the commissioner's report has not yet been presented) 2260 candidates sat for the qualifying examination and 69 apprentices were employed. A qualifying examination to determine the priority of applicants for employment as trade apprentices in January 1981 will be held on 4 October 1980.

On the general question of the employment of apprentices, I would explain to the honourable member that the number of apprentices completing their apprenticeships in recent years has, in each year, been in excess of the number of vacancies for tradesmen existing in the Railway Department.

(3) The honourable member is referred in this connection also to the annual reports of the Commissioner for Railways for the years in question.

(4) (a) 2544; (b) (i) 146; (ii) 19; (c) Apart from the requirement that Toowoomba apprentices obtain 12 months' experience at Ipswich during the term of their apprenticeship, the inter-workshop transfer of apprenticeships is not arranged as a general policy.

28. FROZEN VEGETABLE PROCESSING
FACILITY

Mr Underwood asked the Minister for Primary Industries—

(1) With reference to COD—Golden Circle, is it planning to enter the fresh frozen vegetable industry and, if so, when is it proposed to commence operations?

(2) What vegetables and products are to be processed?

(3) If no decisions have yet been made, when will they be made?

(4) What assistance does the Government intend giving?

(5) Will he use his influence to have the proposed processing facility sited in or near Ipswich instead of Brisbane in view of the area's severe unemployment problem?

Answer:—

(1 to 5) The COD and the Golden Circle Cannery are completely separate and independent organisations and have been so

since 1964. Any decisions taken by the Golden Circle Cannery are a matter for the cannery board.

I am informed that the Golden Circle Cannery has no current proposals to enter the frozen vegetable field. Any such move would require considerable capital funding. There is currently a surplus of processing capacity for frozen vegetables and the entry of a new processor at this time would serve only to exacerbate that situation.

29. UNEMPLOYED SCHOOL-LEAVERS,
IPSWICH AREA

Mr Underwood asked the Deputy Premier and Treasurer—

(1) With reference to the Commonwealth employment statistics to the end of July, is he aware that of all the 24 CES employment districts outside the metropolitan area of Brisbane, the Ipswich district has the largest number of unemployed school-leavers registered in the State?

(2) What can he offer these 290 young people to achieve the start in life which all juniors are entitled to expect?

Answer:—

(1 & 2) I am fully aware of the problem. Young people are experiencing great difficulty in finding employment in the Ipswich area.

As I have indicated previously, I am optimistic that the future prospects for employment in Queensland, particularly in a manufacturing centre like Ipswich, should be very encouraging because of the enormous development projects for this State now under planning or construction and could well lead to labour shortages, especially in skilled and semi-skilled areas.

Meanwhile, to bridge the gap the Government has made an all out effort to boost the capital program. This has been done by diversion of Consolidated Revenue funds to employment-creating works. Over the last five years to 1980-81 some \$350m has been appropriated in this way and this has meant the continued employment of thousands of people in the Government sector, the private sector which contracts for Government works, and support industries throughout the State.

30. TOWN WATER SUPPLIES, DROUGHT-
STRICKEN AREAS

Mr Gunn asked the Premier—

In answer to a question asked by Mr McVeigh, the member for Darling Downs in the Federal Parliament, regarding receding water levels in town supplies in country areas, the Prime Minister stated that he was prepared to assist councils that were forced to seek further supply in areas where the deficiency could be attributed to drought. As I believe he

has assisted shires in New South Wales and as the Premier has already made representation on behalf of some shires, what progress has been made on his representation?

Answer:—

As indicated by the honourable member, I made representations to the Right Honourable the Prime Minister about the inclusion in the Natural Disaster Relief Arrangements of the cost of emergency measures to provide town water supplies where normal supplies have been depleted by the prolonged drought in country areas.

I have had several discussions with the Prime Minister, who appreciates the gravity of the situation. I have placed before him a specific proposal and have sought his urgent and sympathetic consideration of it. A reply is expected shortly. Depending on what the Prime Minister says, the honourable member will get a satisfactory answer.

31. LAND FOR HIGH SCHOOL, LOWOOD

Mr Gunn asked the Minister for Education—

Has his department procured, or is it in the process of procuring, land for a future high school at Lowood?

Answer:—

Yes. Consideration is at present being given to the acquisition of a specific area of land for the establishment of a high school in Lowood.

32. ESTABLISHMENT OF STATE ZOO

Mr Gunn asked the Minister for Culture, National Parks and Recreation —

As some time ago I asked a question about the likelihood of establishing a State zoo and he replied that the matter was being investigated and some European zoos would be visited and a report furnished to him on this matter, what progress has been made?

Answer:—

Following detailed investigations of existing zoos in Queensland and of leading zoos elsewhere in Australia and overseas, a report embodying an entirely new concept in zoos is now being printed and the report and its recommendations are expected to be examined by Cabinet in the near future.

33. SKIN CANCER

Mr McKechnie asked the Minister for Health—

(1) Will he give due publicity to the high incidence of skin cancer in Queensland and arrange for a publicity campaign similar to the "Life. Be in it" campaign to encourage Queenslanders to wear hats?

(2) Will he also have discussions with the Minister for Education in order to conduct a campaign in Queensland schools?

Answer:—

(1) The Department of Health has been engaged in an educational program to promote awareness of the dangers of skin cancer. It is planned to continue this publicity and education campaign during the current financial year.

(2) Handbooks on skin cancer have been distributed to all principals of primary and secondary schools in Queensland by the department's Division of Health Education and Information, and information regarding skin cancer is disseminated by teaching staff to students utilising slides and other material provided by that division.

34. PREVENTION OF BOTTLE CARIES

Mr McKechnie asked the Minister for Health—

As Mr J. Prentice, president of the Australian Society of Dentistry for Children (Queensland Branch) stated that his society is concerned about the occurrence in young children of a condition referred to as "bottle caries" and said that the society has recommended that (a) children be fed solutions from a cup as soon as possible rather than from a bottle if the said substances are high in sugar content, (b) sugar enriched preparations not be given at sleeping times, (c) if preparations must be sweetened, non-cariogenic materials be used and (d) manufacturers should display, in a meaningful way, all ingredients contained in preparations, will he give due publicity to these facts and also encourage the use of natural food drinks containing vitamin C rather than artificial products?

Answer:—

I am advised that the Department of Health is fully aware of the matters raised by the honourable member and has instituted investigations to ascertain whether any appropriate action can be taken.

35. OIL EXPLORATION

Mr McKechnie asked the Minister for Mines and Energy—

(1) What is the trend as far as exploration for oil in Queensland is concerned during the last 10-year period?

(2) What part have successive Federal Governments played in encouraging the search for oil during this period?

(3) If an exploration company does not meet its obligations under an authority to prospect, will he cancel its authority?

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Answer:—

(1) In 1970 a total of 57 wells were drilled but in 1971 the figure was reduced to a total of 19 wells. A general slow decline continued, and in 1977 no wells were drilled at all. 20 wells were drilled in 1978, 22 in 1979, and it appears that approximately 40 wells will be drilled in 1980.

(2) In 1968 the Gorton Government established a controlled-price concept to operate on domestic oil from September 1970. This system continued until September 1975 when the Whitlam Government announced that future oil discoveries would be priced at import parity.

The Fraser Government continued this policy and also announced in the 1977 Budget that the price of "old" or previously discovered oil would be escalated. Since then the percentage of "old" oil eligible for import parity pricing has gradually increased and the crude oil levy has been applied. In the 1979 Budget tax concessions for companies carrying out exploration were announced, and a further move this year reduced the excise on liquid petroleum gas to encourage its use.

(3) The authority to prospect document requires the holder to comply with the provisions of the Petroleum Act and the Petroleum Regulations (Land). There is provision for penalties under the Act and regulations, and the Act also provides that failure to comply shall render the authority liable to be cancelled by the Minister.

36. FEDERATED HOUSING FUND OF AUSTRALIA LIMITED

Mr Mackenroth asked the Minister for Justice and Attorney-General—

With reference to the first prospectus issued by Federated Housing Fund of Australia Ltd in May 1972, wherein prospective investors were told that they would receive loans within a certain period of time, and as he stated in his ministerial statement on 11 September that investors should rely only on statements made in the prospectus—

(1) Has the period of time stated in that prospectus expired?

(2) What recourse do these investors have against that company?

(3) Is he aware that the Minister for Survey and Valuation, in a letter to one of his constituents in August, stated, "Preliminary investigations on my part have indicated the similar problem in New South Wales was resolved by the appointment of an administrator who I understand achieved some significant results.

I will research the NSW experience further and then take up the matter with Mr Lickiss personally.”?

(4) Has the Minister for Survey and Valuation made any personal representations to him and has he recommended Government intervention?

Answer:—

(1 & 2) The honourable member is seeking information which I believe he has in his possession in that the matter was fully dealt with in the report by the special investigator, Mr P. D. Connolly, QC, in 1973.

In his report, Mr Connolly dealt with the prospectus of 24 May 1972 and in clause 39 he specifically detailed the circumstances relating to “waiting time”.

The following is an extract from Mr Connolly’s report—

“Waiting Time

“39. It was claimed in the first prospectus of 24th May, 1972, to be a special feature of this company, as contrasted with others of similar types, that the company was prepared to ‘categorically state’ the time for a loan. At page 6 the following appeared:—

‘When will members receive a loan?’

‘As all option holders as well as all shareholders are included in all interest free ballots it is possible for members to win a loan by ballot at any time. Members successful in a ballot are allocated their loan immediately and may then purchase a home, or use it in any approved manner, or defer it as they wish.

‘However the time at which new members joining a Fund will receive their loan allocation by priority is as per the Table on this page.

Priority Numbers	Period of Time
1-25	6 months
26-50	12 months
51-100	24 months
101-200	36 months
201 and on	84 months

Note.—(1) The times mentioned above are calculated from that point at which priority Numbers 1 to 200 have been fully subscribed.’

“Mr Maher explained that ‘fully subscribed’ meant applied for and allotted, whether as options or shares. If it meant fully paid those waiting periods would obviously have some 17 years added to them. However the directors have provided themselves, whether deliberately or otherwise, with a means of indefinitely extending the waiting periods without departing from the literal terms of the prospectus. Of the first 100 numbers only 1-31 have been allotted. The numbers then

recommence at 101. Many more than 200 numbers have been ‘fully subscribed’ but not ‘priority numbers 1 to 200’. The waiting periods have therefore not yet begun to run!

“I feel that the directors are well aware of the danger of nominating a firm ‘waiting time’. In the prospectus of 1st November, 1972, they no longer do so but rather incorporate an actuarial statement by Messrs. Palmer, Trahair, Owen and Whittle showing ‘the maximum waiting time for a loan at 2½% of 4½%’ for shareholders holding various priority numbers. The table reads:—

Priority Number of Shareholder	Entered under Prospectus dated	Expected date when 2½% or 4½% loan will be available
100	May 24, 1972 ..	September, 1974
500	May 24, 1972 ..	December, 1976
800	May 24, 1972 ..	January, 1978
900-2,000	November, 1972	Between January 1978 and August 1979’

“The calculations leading to these results are founded on a number of assumptions, the four more important of which were that:—

(a) the Fund will loan equal amounts of money in the future for 2½% and 4½% loans.

(b) the Fund will obtain borrowings of twice the amount being subscribed for options and shares and will lend out money for bridging loans at a rate which is 2% p.a. higher than the rate payable on borrowings,

(c) the Fund will be managed in such a way that the profit each year is minimised, thus reducing the tax payable whilst maintaining shareholders capital,

(d) the Management Company will endeavour to sell not less than 12,500 shares a month.’

“Doubtless it is clear to an actuary and perhaps to others accustomed to construing documents strictly that all the actuary is here doing is stating the result of calculations and that the result will vary with any departure from the assumptions set out above. I think however that the public is likely to regard these waiting times as being warranted by the Fund, whereas in truth they are not. It seems to me that to the unsophisticated the Actuaries’ Report is likely to be misleading and while I express the opinion elsewhere that regular actuarial assessment is essential if it should be decided to allow these funds to continue, I do not think that reports of this character are desirable in a prospectus. However I am not prepared to say that any person has, in this case, wilfully made or authorised the making of a false or misleading statement within the meaning of Section 375 (2).”

Mr Connolly concluded, after reviewing all the circumstances relating to "waiting time", that—

"However, I am not prepared to say that any person has, in this case, wilfully made or authorised the making of a false or misleading statement within the meaning of Section 375 (2)."

This was a reference to the Companies Act 1961–1979.

Let me again say to the honourable member that if he has in his possession any information relating to these companies indicating a breach of any Act or illegality I invite him to make this information available to me and I will undertake to have the matter investigated and, where necessary, appropriate action taken. It is a matter for shareholders to seek independent advice as to their position in this company.

(3) I am not aware, nor should I be aware, of the contents of correspondence that passes between a member of Parliament and a constituent. No copy of a letter by the Honourable the Minister for Survey and Valuation addressed to the constituent on this subject has been forwarded to me.

(4) Representations have been made by the Honourable the Minister for Survey and Valuation, on behalf of the constituent, seeking my advice.

37. CAXTON STREET LEGAL SERVICE

Mr Mackenroth asked the Minister for Justice and Attorney-General—

(1) Has he received funding from the Commonwealth Government for the Caxton Street Legal Service?

(2) Has he refused to pass this money on to the Caxton Street Legal Service unless they give an undertaking not to employ a full-time legal aid officer?

Answer:—

(1 & 2) When Queensland entered into the agreement with the Commonwealth to amalgamate the Legal Assistance Committee of Queensland with the Australian Legal Aid Office in Queensland it was agreed that in future all legal aid in Queensland, to the extent that it is provided by qualified salaried staff, would be provided only by the Legal Aid Commission of Queensland. The purpose of this was to prevent the proliferation of salaried services within the State each with different guide-lines and means tests and no doubt, because they would not be co-ordinated, overlapping in areas. At the same time it was appreciated that an important contribution can be made to legal aid in Queensland by qualified legal practitioners giving their time on a voluntary basis to advise financially under-privileged persons.

The Caxton Street Legal Service, and others like it, serve a useful function in providing premises at which such advice can be given on a voluntary basis and an administrative system so that this service may be provided efficiently. A grant of \$12,000 to the Caxton Street Legal Service was received from the Commonwealth Attorney-General's Department. The grant was withheld pending agreement from the Caxton Street Legal Service that the grant would be used for the employment of a full-time non-legally qualified co-ordinator who would assist to organise the voluntary legal aid body. This would be in keeping with the main purpose of the Legal Aid Agreement entered into between the Commonwealth and Queensland.

Representatives from the Legal Aid Commission of Queensland and the Caxton Street Legal Service discussed this matter in April 1980 but the representatives of the Caxton Street Legal Service insisted that the grant be used to employ a full-time legal practitioner. Advice has now been received from the Legal Co-ordinator, Caxton Street Legal Service, that the committee of management will agree to accept the grant on the condition that the service not apply the moneys towards the employment of a full-time practitioner. The Commonwealth Attorney-General has been asked if he is agreeable to the moneys being paid subject to this condition, and I am awaiting his reply.

38. VANDALISM, DUTTON PARK CEMETERY

Mr Mackenroth asked the Minister for Justice and Attorney-General—

(1) Why were charges dropped by the Crown Law Office against John Clement Windsor and Gerard Mark Egan for vandalism of 24 graves at the Dutton Park Cemetery on 23 April 1979?

(2) Is one of these youths the son of a prominent member of the Liberal Party?

(3) Who will be responsible for the restoration of these graves?

(4) In dropping these charges, was any consideration given to evidence given by the sexton of the Dutton Park Cemetery, who was a Liberal Party candidate at the last council election?

Answer:—

(1 to 4) As a result of advice tendered to me by the Solicitor-General, I authorised the discontinuance of the prosecution against the persons mentioned in the honourable member. The Solicitor-General had received the advice of several of his officers, each of whom is an experienced Crown Prosecutor. The major review was done by the officer then in charge of prosecutions in the District Court.

This officer made a thorough examination of the evidence of each of the witnesses, including that of the sexton. He found there were contradictions in respect of significant matters and discrepancies in relation to both the evidence and the manner in which it was obtained. He was most critical of the quality of the evidence and its accuracy. The views of the Crown Prosecutor in question were agreed to by other senior officers and accepted by the Solicitor-General. The Commissioner of Police has been advised of the reasons and has been furnished with the detailed advice which was given to the Solicitor-General.

The political affiliations of any person, whether as a witness or accused, were completely irrelevant and were not factors taken into account in any way by the responsible officers who furnished the advice or by the Solicitor-General. Decisions not to proceed with matters in the Criminal Court are frequently taken and always on the advice and recommendation of the Solicitor-General. Each such matter is thoroughly reviewed at least by a Crown Prosecutor and by a Senior Crown Prosecutor.

As I have said, no account is taken of the political persuasion of any person. However, the persons who have been the subject of decisions such as was made in the present case would include persons of every colour, creed and political persuasion; at the least, a substantial number of them would probably support the same political party as that of the honourable member. What is taken into account is the evidence and the quality of the evidence which is available and the responsibilities which the Crown has of putting before the court material which could be reasonably relied upon as justifying the time and expense of a public trial.

I will not be deterred by any allegation of political advantage from fulfilling my role in the administration of justice of accepting responsibility for making the final determination, in relevant cases, as to the continuance or discontinuance of a prosecution. I propose to proceed exactly as I have always done to consider each case only in the light of the facts and circumstances of that case and in accordance with the legal advice tendered to me. As there has been no conviction of any person in the present matter, no question of restitution arises. If the honourable member is trying to project what was a practice during the days of Labor's administration of the State in relation to the administration of justice by the insinuations in the question, then let me assure the people of Queensland that this is not the case with this Government. While I am the Minister for Justice and Attorney-General for this State each case will be decided on its merits and there will be equal justice for all.

QUESTIONS WITHOUT NOTICE

MINISTERIAL EXPENSES

Mr CASEY: In directing a question to the Premier, I refer to his comments in this House yesterday that indicated that the Auditor-General would be preparing details of ministerial expenses. The Premier stated—

“When these have been completed he will, as has been the routine of this Government, present them to the Parliament.”

As the routine practice has been to table only details as per form 12 of the Treasurer's Instructions, that is, in relation to overseas and interstate spending, will the Premier give the House an assurance that details of form 14—expenses in Brisbane—be shown separately, and will he also give a guarantee that they will be presented before Parliament debates Appropriation Bill (No. 2) next Thursday and then adjourns, as that also has been the normal routine practice?

Mr BJELKE-PETERSEN: I did indicate that yesterday. Naturally that is the intention of the Government and myself.

DONATIONS TO BJELKE-PETERSEN FOUNDATION

Mr CASEY: In asking a question of the Premier, I draw to his attention the explosive allegations made by the Federal Liberal Party Finance Minister (Mr Eric Robinson), as reported in today's "Gold Coast Bulletin". Mr Robinson, who is a very senior member of the Federal Cabinet, stated that a Melbourne businessman had told him that he had secured a favourable decision from the Queensland Government in return for a donation to the Bjelke-Petersen Foundation.

Is the Premier aware that this statement was made publicly by Mr Robinson, a very senior member of the Fraser/Anthony Government, in a speech to about 150 cocktail party guests at a Liberal Party function held at his Isle of Capri home last Saturday evening?

In view of the damaging implications of Mr Robinson's publicly made allegations, which heighten alarming suspicions already current in relation to the connection between the Bjelke-Petersen Foundation and Cabinet decisions, will the Premier initiate immediate inquiries and report back to this Parliament later today on the accuracy and background of the allegation, the name of the Melbourne businessman and the nature of the Government decision allegedly involved?

Mr BJELKE-PETERSEN: I think the last person of whom I would take any notice is Eric Robinson. If the statement is correctly reported in the Press, the allegation is utterly untrue and is a fabrication. Yesterday I refrained from replying to the allegation, largely because I doubted that anybody would be silly enough to make a statement

such as that. I do not operate in that way; I never have and I never intend to. I am sure that most people know that.

In regard to donations to the Bjelke-Petersen Foundation, the Liberal Party itself and Mr Robinson have always solicited funds for their organisation, just as those connected with Curtin House have solicited funds for the Labor Party. The same thing applies to the Liberal and Labor Parties.

The allegation is completely untrue and unfounded. Perhaps it stems from the fact that I stated I would be glad to campaign against Mr Robinson because the Gold Coast people are completely disgusted with him. The Gold Coast City Council passed a censure motion against Eric Robinson stating that it was dissatisfied with him and his representation. I have said that for a long time.

ROAD-WORKS IN COUNTRY AREAS

Mr TURNER: I ask the Minister for Local Government, Main Roads and Police: Is he aware of the hardship that will be created to shire councils and the diminution in employment opportunities in country areas if all road-works are given to private contractors in preference to day-labour work, to which there is opposition, by councils and Main Roads Department staff? What steps has the Minister taken in an endeavour to protect shire councils and Main Roads Department work-forces in country areas?

Mr HINZE: I assure the House that the policy of the Government in Queensland is very plain. We intend to continue our policy of a ratio of 50:50, or as near to it as possible. It has been in existence for many years and there are no problems as far as I am aware. I see no reason why it should not continue. I have heard that there are some rumblings in the Liberal Party in Canberra, suggesting that all public works should be undertaken by contract, but I am strongly opposed to suggestions that 100 per cent of our road-works should be undertaken by contractors.

There are very good reasons for our stand. Take the town of Winton, for instance. If that council was not responsible for a day-labour work-force for its road-works, there would be no Winton. It is as simple as that. The same applies to many other local authorities in the State. Day-labour forces provide a great yardstick for ascertaining the correct value of road construction. I hasten to assure the member that it is not the intention of this Government to alter that ratio, which has been in existence for many years to the benefit of the whole State of Queensland.

Mr SPEAKER: Order! Under the Sessional Order agreed to by the House, the time allotted for questions has now expired.

FORMER PARLIAMENTARIANS LUNCHEON

Mr SPEAKER: Order! As honourable members are well aware, I will be hosting a function for past members in the function room at approximately 1 p.m. today. In order to allow a little additional time for that function I have reached agreement with the Leader of the House and the Opposition for the chair to be resumed at 2.30 p.m.

MATTERS OF PUBLIC INTEREST

PENSIONER RATE REBATES

Mr PREST (Port Curtis) (12.1 p.m.): I rise to speak on behalf of the pensioners of this State who are being treated unfairly by this Government compared with the treatment meted out to pensioners in other States. In its 1980-81 Budget the Queensland Government proposed to provide a subsidy to local authorities of 50 per cent of the cost of pensioner rebates that the relevant council allowed out of its revenue, on the condition that the State subsidy was passed on directly to pensioners as a further rebate to them. The additional rebate will be available in respect of the general, water and sewerage rates up to a maximum limit where 75 per cent of each pensioner's general, water and sewerage rating is refunded.

At first glance the scheme looks good, but when it is examined closely it becomes obvious how the Government is discriminating against pensioners and dividing them into fortunate and unfortunate groups, depending on where they live.

When the Treasurer told us of this scheme in introducing the Budget, I immediately said that it was iniquitous, unworkable and mere election bait that he wanted pensioners to swallow. The Queensland Local Government Association conference held in Rockhampton last week saw this proposal in the same light. It said that it was unworkable, unfair and an election gimmick, and that it would not accept the Government's proposal in its present form.

On 19 March this year when I appealed to the Government for assistance to pensioners in the form of rebate concessions, I told the House that pensioners were being discriminated against and treated unfairly compared with pensioners in other States. I repeat that the subsidies paid by Governments in other States to local authorities for pensioner rate rebates are as follows: The New South Wales Government pays a subsidy of 50 per cent of the general rate, with a maximum of \$120, plus \$60 for water and \$60 for sewerage, making a total of \$240; the Victorian Government pays a 50 per cent subsidy for general rates, without any limit; the South Australian Government pays 60 per cent of the general rate with a maximum of \$150, and a \$75 effluent discharge; the Western Australian Government pays a 50 per cent general and water rate rebate.

The Queensland subsidy proposal is iniquitous because we have in Queensland 23 local authorities that do not give remissions to pensioners.

A Government Member interjected.

Mr PREST: I remind the honourable member that those 23 local authorities are all National and Liberal-dominated bodies. Pensioners in those areas get no financial assistance from the local authority and therefore no assistance from the Government. They will continue to pay full rates and charges whereas the pensioners in the Brisbane local authority area, for example, will get financial assistance equal to 75 per cent of the general rating and 60 per cent of the water and sewerage rating. That is an example of what the Brisbane City Council is doing, and it will be able to take further advantage of the subsidy that is being provided by the Government.

Remissions in other local authorities vary from nil to 100 per cent. Pensioners in local authorities who receive nothing at all now will get nothing under the Government's proposal.

We see from the guide-lines that the subsidy will be paid to approved pensioners, that is, pensioners who are the holders of pensioner health benefit cards issued by the Commonwealth Department of Social Security or the Commonwealth Department of Veteran Affairs who are the owners (either jointly or solely) of property which is their principal place of residence and pay rates and charges that are subject to remissions approved by the local authority. That criterion is acceptable and should be the only criterion. However, further down, the guide-lines state that while that is the eligibility criterion for Government subsidy purposes, payment of Government subsidy will be dependent also on a local authority accepting this criterion. Should a local authority apply more stringent eligibility measures Government subsidy will be payable only on those remissions granted in accordance with the local authority's policy.

That means that if a local authority insists on seeing a pensioner's bank-book, as happens in Rockhampton, and if the pensioner has a small sum of money in the bank or refuses to divulge personal information—it must be remembered that he has already given that personal information to meet the requirements of the Social Security Department and has been granted a concession card—he will get no Government assistance.

This subsidy does not come into effect until 1 January 1981. Just how many local authorities in this State issue half-yearly rates? Again the poor pensioners will miss out on this proposed subsidy. Most local authorities have already brought down their budgets not knowing that the Government intended to give any financial assistance by way of pensioner rate remissions.

Rate notices have been issued and in most cases the rates have been paid. Pensioners, like most other people, save up to pay their rates in time to take full advantage of the discount which can be claimed if the rates are paid within 28 days of the rate notice being issued, so no Government subsidy will be received by them this year. If those people wait until January to get the proposed Government subsidy, they will miss out on their 10 per cent or 12½ per cent discount on the total amount of rates. Therefore, they will be worse off than they would have been had they paid within the 28 days. I repeat that they would be worse off in this election year.

The subsidy proposal is an election gimmick. The Government is trying to obtain the pensioners' support by offering this subsidy bait. We firmly believe that the 50 per cent subsidy must be given across the board so that all pensioners receive the Government subsidy on all rates and charges, and the local authorities that can afford to can grant their additional remission of rates and charges as they wish. This would mean that pensioners in all areas of the State would get financial assistance from the State Government. I think the criterion can be only the holding of a health benefit concession card. The Treasurer must meet with the executive of the Queensland Local Government Association and take heed and be guided by its experience and common sense. That experience and advice might rectify the Government's blunder.

The Government should be ashamed of its treatment of pensioners. It has tried to mislead these aged citizens into thinking that it will give them some form of financial assistance in meeting the rates and charges levied by the local authorities. Instead of giving financial assistance, the Government is attempting to hoodwink them in this election year.

The variation that comes into local authority rates and charges ranges from nil to 100 per cent. After all, 50 per cent of nothing is nothing. The Government is trying to hoodwink the pensioners into thinking that the Government is doing something for them. The Government is dividing the pensioners in Queensland. The people in Brisbane and some other parts of Queensland will have a substantial benefit by way of remissions offered by Labor councils throughout the State, but they will get nothing under this scheme.

Mr Greenwood interjected.

Mr PREST: You were wiped out in Rockhampton on this subject. You tried to gloss it over and you were defeated on it.

Honourable Members interjected.

Mr DEPUTY SPEAKER (Mr W. D. Hewitt): Order! The Chamber will come to order and the member will direct his comments through the Chair.

Mr PREST: This is the third year in succession that the Minister for Survey and Valuation has almost been sacked by the Queensland Local Government Association. In Townsville, two years ago, a motion was moved to have him sacked from his portfolio. He is an incompetent idiot. He went to Rockhampton this year to put the Government proposal on the pensioner subsidy and again he was wiped out. The Queensland Local Government Association did not want any part of it; it could see it was iniquitous and unworkable and that there would be no benefit at all to the pensioners of this State.

When we become the Government after the election the Labor Party will give the pensioners an acceptable concession, a 50 per cent across-the-board rebate that will be paid directly to the pensioners themselves. We can see that local authorities cannot afford to pay such rebates, and under our scheme pensioners throughout Queensland will receive a 50 per cent rebate. I think that is the only way such a system can work. The Government's announced concession is an election gimmick. Rate notices have already been sent out and been paid. This scheme will come into effect as from 1 January next year, after the pensioners have paid their rates, so it will not mean a thing to them.

(Time expired.)

LACK OF FUNDING FOR WATER CONSERVATION

Mr WARNER (Toowoomba South) (12.11 p.m.): I wish to express my concern at the failure of the Treasurer and this Government in the Budget to allocate extra funds necessary to complete the construction of water supply projects already in progress. That is most unfortunate, although perhaps unavoidable. No doubt the enormous financial losses to the State caused by the 11-week coal strike, together with a lower rate of reimbursement from the Federal Government are the prime reasons for the lack of funds being allocated to water conservation projects. But be that as it may, it is a fact that insufficient money has been allocated to any such project in Queensland.

The lack of such provision is very unfortunate, particularly in light of the very serious drought conditions that now exist in many parts of Queensland and the horrifying prospect of the effect the continuation of such conditions will have on many farmers and graziers. Conditions in many areas are such that it is possible that many graziers will be forced off their properties, perhaps never to return. That many unfinished dams throughout the State will receive little or no funding is tragic.

Dam projects such as the second stage of the Leslie Dam have received no more than a token amount. Only \$800,000 has been allocated to this project. This amount

is all that has been allocated to build the Talgai Weir and finish the abutments on the dam itself. When and if the wall will be built can now only be conjectured. The importance of this project must be recognised.

The Condamine River area is now very dependent on water conservation projects, particularly if it is to maintain its huge contribution to export earnings. Irrigation is very important to the prosperity of this country, particularly in times of drought, and although irrigation serves less than one-fifth of 1 per cent of the State's rural holdings, these areas now produce more than 20 per cent of the State's rural production. The irrigated areas along the Condamine River basin alone produce a major proportion of that 20 per cent, and the indications are that irrigators, because of a lack of water, now face a tremendous downturn in production. Up until now the farmers in the area have borne the major proportion of the cost of water conservation without the benefit of full tax deductions, and although the Federal Government's move to give tax relief for water conservation works is very welcome, very few farmers will be in the position to take advantage of these tax deductions until seasons return to normal.

In the light of the proposed commitment to the Burdekin Dam scheme by this Government of \$2.1m, the \$200m allocated for capital building programs over five years by the Federal Government may seem a large amount, but when one considers that that amount is to be spread over five years, it is a mere drop in the ocean, particularly if that sum is to finance the high capital cost program for water conservation projects already awaiting completion. My chief concern is the continuing lack of recognition by this Government of the cost of providing water to places such as Toowoomba. There was not one mention in the Budget of any help whatever for Toowoomba's water supply other than assistance in debenture borrowing for the Cressbrook Dam project and associated water supply works, which will amount to about \$6m, plus, of course, the 33½ per cent subsidy.

The application by the Queensland Government to the Federal Government for a grant under the Commonwealth National Water Resources Program to assist the Toowoomba City Council in the financing of the Cressbrook Creek water supply scheme has apparently fallen on deaf ears. Likewise, the Queensland Government has not increased its subsidy for the project or given any indication of additional help other than to say that it will consider the project if and when the council can produce evidence that it is beyond the ability of the ratepayers to pay such costs. I believe that that evidence already exists. On several occasions I have given the necessary pertinent details to the Minister. There is much evidence to support the Toowoomba City Council's case for assistance.

A case in point, if I might mention it, is Mt Isa. The Mt Isa City Council applied to both Governments for financial assistance because of its inability to cover the cost of the Julius Dam project without imposing an extra burden on the ratepayers. Government assistance was given in the form of several large grants, and I appeal to this Government, on behalf of the Toowoomba City Council and the ratepayers of Toowoomba, for the same recognition to be given in this case. Toowoomba's ratepayers are already meeting the cost of the existing water schemes, and rating relief will occur only when full use is being made of a completed Cressbrook Creek Dam. The financial burden will certainly be very heavy and disproportionate to the benefits derived for a long time to come unless something is done by the the two Governments to relieve this very serious situation.

One point that I believe has been completely overlooked is that Toowoomba's water supplies are not entirely for urban use. Irrigators on both sides of the supply lines use this water as well. Toowoomba has many farms producing salad products within the city's boundaries, and many of them depend on Toowoomba's existing water supplies; and especially so now. The Water Resources Commission is being flooded with inquiries about the lack of underground water because the drought has exhausted existing underground supplies to this rural area which supplies interstate and State salad requirements, and makes us, as I said before, more and more dependent on water that is only now recognised by the Governments as being an urban supply. On many occasions I have brought to the attention of this Government, through the Premier, Treasurer, and Minister for Water Resources, the need to recognise Toowoomba's new water supply under a heading that would include both urban and irrigation supply, and to fund it accordingly. Already under the conditions of approval to dam Cressbrook Creek there are conditions laid down to ensure a better continuity of supply to farms, for riparian rights, on and below the Cressbrook Creek Dam wall. That those same farmers who will receive this permanent supply also see it as a potential source of irrigation is understandable. No doubt, if the Government were to entirely fund the project, their pleas for irrigation would have to be considered. But this is not the case and, although it is thought-provoking, I can hardly imagine such a progressive step being taken.

Let me also say that both Governments should recognise that there are other facilities, such as the Army base at Cabarlah, which use considerable amounts of water from the line before it reaches Toowoomba, and that urban development in other shires surrounding Toowoomba is constantly applying for inclusion in this water project. Once again I ask the Government to recognise that this water supply at Cressbrook will not only be a project for urban purposes. I believe

it must be recognised that it is a water supply of great magnitude and that there are many problems attached to it. Its completion will not only ensure one of the fastest growing cities in Queensland an adequate water supply until the turn of the century but also give a permanent supply to irrigators and other such projects.

Before I close, I point out to the House that this is an ongoing project. It has been stated that it will cost about \$40m to complete. It is not certain that the project will be completed by the stipulated time, that is 1985, or that it will cost \$40m. In fact, it could cost a lot more. Therefore, in my opinion this Government has to recognise that this escalation in cost will take place and will be a great burden on the ratepayers.

I again ask the Government to ensure that Toowoomba gets the recognition it deserves and is given a water supply that will be not only for that particular urban area but also for the whole of that portion of the State.

TARONG POWER STATION TENDERS; PENSIONER RATE REMISSIONS

Mr AKERS (Pine Rivers) (12.20 p.m.): Last Thursday the Minister for Mines and Energy quite properly defended the QEGB and its actions on the Tarong Power Station turbine house contract against allegations that I made in this House. He did that quite properly because he acted on the advice of his officers and they should be defended by him. But I am afraid the Minister is mistaken because those officers have misled him greatly.

Since I raised this matter by way of a question of the Minister in this House on 21 August, there has been a complete cover-up by someone and misleading statements have been given to the Minister who has been forced to mislead the House in his answer to that question and in the ministerial statement that he made last Thursday. On 21 August the Minister said—

“Under section 93 of the Electricity Regulations 1977 particulars relating to tenders are disclosed only to tenderers or their representatives and are not made public.”

The answer went on to say that the amount of the contract sum “is not public information.” The hiding of information was continued further on when, under the same pretence, the amended contract sum was not revealed.

In my speech on the subject in the debate on Matters of Public Interest I pointed out that the QEGB is a public body spending public money on a contract to build a public facility, which does not need secrecy or security for defence reasons, so there is absolutely no need at all for any cover-up

or hiding of information. As it is a multi-million dollar contract, the public should have access to all documents. In his own statement the Minister said that the cost is now up to \$9m.

In the answer that he gave, obviously the Minister had been advised by the QEGB that the electricity regulations precluded his giving that sort of information to this Parliament. Last Thursday that advice was very quickly forgotten when the QEGB saw the need to defend itself. In his statement, obviously prepared for him by the QEGB, the Minister gave all of the figures that he had previously been told that it was illegal for him to give to the Parliament. Somewhere along the line something is being hidden or somebody is covering something up.

In any case the statement that the Minister read out in this House last Thursday raised many more questions than were originally asked and certainly many more than it answered. I ask the Minister or the Government as a whole to instigate a full judicial inquiry into the following points—

(1) If it was unwise to give the job to EFS, as the Minister said in the statement, because that firm had only 20 employees in its workshop, why was it advisable to award the tender to John Holland (Constructions) Pty Ltd at a price \$1m higher when that company has no workshop at all. John Holland (Constructions) Pty Ltd has subcontracted all the fabrication work while EFS planned to subcontract only the plate stripping section. Further, the alternative tender submitted by EFS eliminated the need for most of the plate-stripping equipment, the lack of which was part of the reason given to the Minister for the rejection of the EFS tender. But John Holland has not got it, either. EFS has engaged professional engineers, Robert Morgan & Associates, to supervise and control the job. They have the ability to produce the goods, just as southern firms have.

(2) If construction time is paramount—and that appears to be the whole basis of the argument against EFS—why was the alternative design of EFS ignored when it could have greatly reduced—

(a) on-site welding and therefore the risk of delay due to weather in the area;

(b) the risk of on-site labour problems;

(c) the need for highly technical supervision of most of the welding on the job—and I point out that the welding under the Canadian system that is being used must be very highly supervised under rigid technical requirements; and

(d) the cost—in fact, by \$1m?

(3) Why was it necessary to add extra bays to the building after tenders were called? Was the original design incompetent or was it hastily produced? Did we go to tenders on the subject before the requirements were known?

(4) How many millions of dollars has the accelerated construction program cost the electricity users of Queensland? Based on the matters I have raised today and what has happened in just one contract (considering that the total works will cost \$250m or even greater), my guess is that at least \$25m, probably \$50m, will be wasted by an accelerated construction program just to get the power plant ready to produce power for the aluminium smelting industry.

(5) How thoroughly did the QEGB officers investigate the EFS tender before deciding to waste \$2.5m of electricity users' money on this contract alone?

(6) Why was the Vierendeel frame ignored when it would have saved in the order of \$500,000 by not requiring all the on-site work I previously referred to?

(7) Why were galvanised cold-formed purlins ruled out (or given as a reason for ruling out EFS) when the original tender documents called for a galvanised alternative to the aluminium purlins proposed? I point out that the cold-galvanised formed purlins are the normal type used in industrial buildings and would have saved in the order of \$1m on this one contract alone.

I ask: When will the electricity regulations be amended so that this sort of information is freely available to the public at the time of tendering and at any later time so that there can be no excuse given that the regulations preclude it?

John Holland has been gifted a contract from which it can pocket at least \$1m while having other firms actually carry out the work. The job is costing many millions more than it should have. The Minister has obviously been very seriously misled by his officers. I believe that the matter requires a judicial investigation. I am not convinced that there has been full and frank disclosure of information to the Minister.

Mr Frawley: Do you think John Hollands might have been doing a bit of a sling to someone?

Mr AKERS: Yes, they might have, and that is one thing that there must be doubt about. I do not know whom it might have been to, but there is something haywire somewhere when there are all of these anomalies, when there has been a cover-up and when there has been a hiding of information all the way through. There has been at least incompetence on someone's part in this matter. I urge the Minister and, if not him, the Government to take positive action immediately.

On the subject raised earlier by the member for Port Curtis—I refute most of the statements he made. He has greatly misled the people of Queensland by saying that no-one will benefit from the proposal in this year's Budget for rates remission. About

40 000 pensioners in Queensland will benefit from the remission if local authorities decide to extend the subsidy available to them under the Government's Budget proposal. The ALP has said that it will provide 50 per cent remissions—but it has not said 50 per cent of what. The member for Port Curtis complained that people who do not have half-yearly rates will not benefit. The Treasurer has clearly stated that they will.

The local government motion referred to by the member for Port Curtis was set up for purely selfish political reasons. Most of those who supported it did not want to deny the remission to the pensioners of Queensland. It was purely because of the selfish attitude of some people in the leadership of the Local Government Association that the matter was not discussed with them before the Budget speech was made. It is something that has been rectified. Certainly at all times the Treasurer has said that the problems that may arise will be sorted out in consultation with local government throughout Queensland.

(Time expired.)

LONG SERVICE LEAVE FOR BUILDING WORKERS

Mr YEWDAL (Rockhampton North) (12.30 p.m.): The matter of public interest that I wish to comment on today is portability of long service leave for building workers.

I say at the outset that the Government has deliberately deprived the building workers of Queensland, and their families, of the right to long service leave, a right that is enjoyed by the vast majority of workers both in our State and throughout the Commonwealth.

History shows that approximately 25 years ago the Government of Queensland provided long service leave for all workers in the State as a legal right. Such long service leave was provided in a host of areas in which a permanent type of employment prevailed. At that time, provision was made for 13 weeks' leave on full pay after 15 years' service or a proportionate amount of leave after a minimum of 10 years' service.

Within the building industry, of course, the number of workers able to maintain continuity of employment for 10 years, let alone 15 years, has been very limited. In this State, which has the highest bankruptcy figures in the Commonwealth, the achievement of long service leave in the building industry becomes a myth.

In many instances, employers display a callous disregard for employees. In some instances, building workers have been sacked just before qualifying for the pro rata leave on the completion of 10 years' service. The building workers' unions have evidence to show that many workers have been dismissed with by callous employers just before they were about to complete 10 years' service.

The employers simply advise their employees that, owing to the lack of finance, the lack of contracts or the lack of work, they are forced to dispense with the services of a certain number of their work-force. In many instances, the workers who are sacked obtain another job with another builder or building company. After the employer has dismissed his workers, he simply moves back into the building industry, undertakes a new contract and takes on new staff. By doing that, he is able to circumvent his responsibility to grant long service leave to his employees. He simply does not retain them long enough to be liable for that commitment.

The solution to the problem is very simple. All that is needed is a register of all building workers, to be held by a long service leave board. Employers could then make monthly payments to the board representing the equivalent of their employees' service leave. Such a scheme would be very easy to administer. Every employer in Queensland, and, for that matter, in the Commonwealth, is already required to pay a premium for workers' compensation. That requirement covers workers in all capacities. I cannot see anything wrong with a similar requirement being imposed in respect of long service leave for workers in the building industry on a portable basis.

Such a scheme would allow workers to move from employer to employer and to have their length of service registered with the board. Payments would be made by individual employers into a central fund. A worker, upon the completion of 10 or 15 years' service, could merely present an identity card, his length of service could be confirmed by the board and it could automatically make the payment of long service leave to the worker.

Let me state what prevails in other parts of the Commonwealth in relation to this basic condition for workers. In Tasmania, long service leave for workers in the building industry has prevailed since March 1972; in New South Wales, since September 1973; in Victoria, since 1974; and in South Australia, since 1977. Although we are now in the 1980s, Queensland still does not have such a provision.

I want to dwell on the attitude of the Master Builders Association to labour changes. The members of that association were advised by it through the Master Builders Journal "Queensland Master Builder" to include in costs for contract work cover for four weeks' annual leave, 10 days in lieu of statutory holidays, 10 days' sick leave and—note this—long service leave. So builders in Queensland are charging for long service leave for their employees. They also charge for make-up pay for employees' jury service, bereavement leave, workers' compensation and pay-roll tax.

I accept that the employer is entitled to debit the industry with those charges, but I see no justification for the employers in the building industry charging for long service leave for employees when the vast majority of them do not pay for such leave. The industry is being charged for long service leave that is not being paid.

The unions associated with the building industry have been campaigning for about 10 years to devise a plan that could be implemented with very few administrative problems. In 1971—that is, nine years ago—the Queensland Master Builders Association agreed with the building trades group to set up a central long service leave fund in the industry. The Government's reaction to that agreement was to prevent the scheme from being implemented, and to suggest a total scheme to cover all casual workers in the State with long service leave.

Later, in 1972, the Government set up a committee to investigate such a scheme. But that was only a fob; nothing happened. In 1974, the Queensland Trades and Labor Council submitted a draft copy of a proposed long service leave Act. In the same year, the then Deputy Premier (Sir Gordon Chalk) declared in his policy speech—

“My Government will introduce a scheme to provide long-service-leave benefits for all workers in Queensland.”

Within a short period the whole question, particularly as it related to portability of long service leave, was scrapped completely.

The unions concerned renewed their demands in 1976 in a joint approach through the building trades group of unions, the Queensland Master Builders Association and the Building Industry Subcontractors Association. In February 1977, the present Minister arranged a reading of a Bill by representatives of the industry overall. We all know what happened to that proposed Bill. It was rejected by the joint Government parties on all sorts of flimsy excuses.

The predominant excuse offered in the joint parties room by National Party back-benchers was that portability of long service leave would be too costly for builders in the outback country areas where building work was being carried out. I emphasise that the argument put forward by National Party back-benchers, who have been labelled as the main opponents of the introduction of portable long service leave, rebounds against themselves. When a worker is offered security in his job, he will stay in an industry. If he got close to accruing long service leave, he would be foolish not to stay in his job, even if it was on a 10 year pro rata basis.

Members of the National Party believed that the scheme would be too costly. It is a fact of life that people will not work in the industry in the country if they do not receive compensatory conditions. Portability of long service leave is one condition that would encourage men to work in the building industry away from the coast.

The National Party gripes were not justified in the sense that the amount of construction taking place away from the coast is minimal compared with what is taking place in the provincial and major cities on the coast. The National Party argument was purely a lobby against these benefits for the workers. They displayed no concern for workers generally, not just those in the building industry.

Naturally the workers concerned organised activities in protest against the Government's decision. Could anyone deny the workers that right after pursuing the matter for some eight years? They were totally justified in marching on Parliament and in holding mass meetings in the forum.

In March 1977, the Minister for Labour Relations announced that the joint parties had decided to defer to an indefinite date the long service leave legislation for building workers. That is when the back-bench Government members decided they would have no part of it. The most recent Government attitude conveyed by the Minister for Labour Relations is that it will not be possible to introduce the necessary legislation to Parliament before the current session concludes.

It seems to me to be quite obvious that the building workers in Queensland will not receive long service leave through legislation before the end of this year; that perhaps the Government is looking at the situation and, if it is fortunate enough still to have sufficient numbers to form a coalition Government to control the State, it probably will not even reconsider the matter. A decision will be made to scrap it again. That will be the attitude adopted by this Government. We are saying that this Government has sold out the building workers in Queensland in regard to portability of long service leave.

The legislation prevails in all of the States to which I referred. I keep saying that it is a very simple operation; in fact, it is the same as paying premiums for workers' compensation. I see no reason why the legislation should not be introduced before the end of this session.

(Time expired.)

LACK OF FUNDING FOR WATER CONSERVATION; REMEDIAL TEACHERS, MILLMERRAN AREA

Mr ELLIOTT (Cunningham) (12.41 p.m.): I wish to raise a matter this morning that is associated with the subject raised by my colleague the honourable member for Toowoomba South. He raised the general question of water conservation projects, particularly the Cressbrook water supply for Toowoomba and Stage II of the Leslie Dam. I wish to develop the argument for the funding of Stage II of the Leslie Dam. I go on record as supporting the honourable member for Toowoomba South in his representations on the Cressbrook water supply scheme for Toowoomba.

We must look closely at this matter and consider the facts. The total area is probably one of the greatest revenue-earners of the nation. It earns more export income than any other small, centralised area of agriculture in the whole of the Commonwealth. In addition, a tremendous amount of taxation comes from that area. It is a very worthwhile asset, from which the Government receives tremendous funds. Therefore, I feel that the area has been very poorly treated by the Federal Government and, in fact, the State Government has not taken enough cognisance of this problem, either.

Before I level too much criticism, I should like to outline what has been done. I give the Government credit for the regulatory weirs that are being built but, as my colleague from Warwick said, regulatory weirs with no water in a dam are not of much use. It is, as the honourable member for Warrego has remarked, like a hip-pocket in a singlet.

I should like to refer now to the metering of bores and the setting of allocations for underground water supplies. This is a step forward and the Minister must be complimented for his initiative in this regard. Probably it should have been done sooner, but at least a decision has been made and it is being carried out. We are now working towards a meaningful solution of this problem.

It is very important to realise the tie between underground aquifer depletion and Stage II of the Leslie Dam project, because they are related. The underground aquifer is dropping at an alarming rate. We are trying to get people to change from underground water to river water. Owing to past mistakes of the Government and other bodies, there is an overcommitment of the supply from the Leslie Dam for irrigation and water supply for Warwick, the Cunningham irrigators in the area represented by the honourable member for Warwick, and the Condamine River basin in my area. People must understand that there is an overcommitment.

There is a desperate need at this stage to finish the abutments which will carry the gates for Stage II of the Leslie Dam project and to complete the survey and drafting work, the estimates and the engineering facets of the diversion weirs for the Condamine River. Our next hope would be to have Stage II of the Leslie Dam project completed and that dam full of water. This work must occur not only so that we can bring that water down the north branch and enable people to irrigate with it, but also to flood harvest. I think members should realise that this is another aspect of the alleviation program in relation to the problems in the Condamine basin.

Diversion weirs are to be built and these will come into use in the wet season. We do not necessarily need rain on the Downs, but we need it in the catchment area of the ranges up above Killarney. We could divert

part of the floodwaters down the North Branch of the Condamine and allow landholders with flood-height licences to pump into what we call ring tanks, on-farm water storage dams, turkeys' nests—call them what you like. Some of these dams are huge. I think the Premier was absolutely staggered at their size when he went through the area recently to look at the problems at first hand. Anyone who goes into the area is staggered by the size and capacity of the dams and at the tremendous confidence that the landholders must have to spend the sort of money required to build them, particularly when they are looking very much to the future, when they will be filled. They will not necessarily be able to fill them with the run-off from their own properties, even with the run-off from table drains, roads and that sort of thing. They are mainly looking to the future when they can get water down the North Branch of the Condamine. The same principle applies to farmers on the Condamine itself. They are hoping to harvest the floodwaters from that river. We need to get on with these two projects at the same time, but we desperately need the funds in order to proceed. We are not looking at a fortune. It greatly annoys us to see so many projects at various stages of completion. It is absolutely necessary for us to finish this project. One has only to look back a short while to realise that it would have cost a fraction of what the dam will eventually cost had it been completed when it was first promised. It is unfortunate that we tend to keep embarking on new projects before finishing those which are partially completed.

A matter of great consequence to us has been the shortage of money in the Farm Water Supplies Assistance Fund. Fortunately the Government has seen fit to grant an additional \$1m to tide us over. The Federal Government's introduction of a 100 per cent tax deductibility scheme is one of the most meaningful things it has done recently. While I am dealing with the Federal Government, I want to mention that Tom McVeigh and Jim Corbett have been working for all they are worth on this scheme in an endeavour to get the Federal Government, and the Prime Minister in particular, to come to the party.

I now want to touch very briefly on the provision of remedial teaching services in this State. We have a very real lack of such facilities in the State. There is a tremendous need, for instance, for remedial teaching in the Millmerran area. Such facilities could service the immediate district and outlying areas.

Dr Lockwood: It would be better if all teachers were remedial teachers with some training and understanding of the nature of the task.

Mr ELLIOTT: If we were able to have that, it would be excellent, but at the moment we are faced with the situation that remedial teachers are based in only some areas.

The very future of the children in some of the areas in my electorate is jeopardised by the lack of remedial facilities. This is a tragedy. It limits their potential in the long term, and all of us who have been fortunate enough to receive a reasonable education realise only too well what a tremendous disability that limitation is.

(Time expired.)

URBAN PLANNING IN QUEENSLAND

Mr INNES (Sherwood) (12.50 p.m.): I rise today to ask publicly that the Minister for Local Government, Main Roads and Police trade a little horse sense for a little nonsense. Yesterday "The Courier-Mail" reported an address that the Minister made to an Urban Design Advisory Council seminar as follows—

"Public participation in urban planning had been unsuccessful—and in some cases, unworkable . . .

"Speaking at an Urban Design Advisory Council seminar in Brisbane, Mr Hinze said most people were not interested in planning."

If the Minister really believes that statement, then his passion for horses has removed him from the average person in this State and has caused an acute form of amnesia. In the last year this Minister has faced problems in relation to the Currumbin Creek development, Gold Coast shopping centres, Bracken Ridge shopping centres, and The Broadwater development, and recently he has received a petition from 8 000 persons in the electorate of Landsborough calling for the sacking of a council for failing to honour pre-election promises. His failure to recall the enormous public participation in these issues can only be described in terms of total but, hopefully, temporary amnesia. Anybody who has spent time in an electorate office or a shire or ward office in this State would know how highly involved, how highly concerned and how highly interested people are in the planning procedure. They are not merely concerned to protect the direct effects of development next door; they also are highly concerned to protect the total environment in which they live and work. Anybody who is in tune with the public attitudes at this time would realise that it is a constant and abiding interest, ready to jump into prominence the moment a person's residence or local area is proposed to be disturbed.

The Press report went on to state—

"Mr Hinze said in the 1960s heavy emphasis had been placed on public involvement.

"But this had led to panicky legislation which resulted in many essential public projects being abandoned or left half constructed.

"The Queensland Government will not allow this situation to occur but will always welcome any constructive criticism or suggestions for improvement," he said."

A year ago in the debate on the Premier's Estimates I had similarly described the 1960s as being a time in Queensland when public participation flourished. One hopes that it was not coincidental that it happened to be the first full decade in which the coalition Government held the reins of power in this State and a time when the Government might have been a little more mindful and attuned to the attitudes and sensitivity of the public. At that time I described the 1970s as the entrepreneurial phase, and I did say that perhaps that was justified. In the '70s we were competing with people around the world to show what wares we had and the magnificent resources at our disposal. The world knows that we are on the map, and that statement was made by the Premier yesterday. The procession of Japanese, Americans, Europeans and Britons to this State indicates that Queensland is well and truly on the map. In fact, our massive development projects are now bringing a more acute and urgent need for planning than at any time in our history.

The complex problems in places like Gladstone can only be solved by active planning; they cannot be solved by a continuation of the entrepreneurial style of letting anybody in and doing anything anywhere as long as millions of dollars are spent.

Certainly no urban dweller in Queensland believes that planning is unnecessary. I suspect none of the mining companies that come to this State believe that planning is unnecessary, either, as all of their projects require the provision of energy and water, their workers have to be housed and some permanence has to be attracted.

The Press report stated that the Minister warned that participation in land rezoning and development had proved to be divisive. The Minister stated that in the last year he had been criticised for approving rezoning of land for a shopping complex on the Gold Coast and for not dismissing the Maroochy Shire Council for its policy on high-rise development after 8 000 residents had requested that in a petition presented to Executive Council. The Minister went on to say that in these situations participation was unworkable and had to be limited to written, formal objections.

It is perhaps an understandable form of administrative or executive arrogance that the people who object to what the Minister wants to do make the situation unworkable in his view. One would have thought that the two illustrations that the Minister gave were a total vindication of the fact that the public is highly involved in the planning process and wishes to have recourse to proper procedures and legislation which allow them to ventilate those matters.

Perhaps it is more trouble for Ministers of the Crown and for representatives who are caught up in these conflicts and problems. I have been caught up with a problem in relation to the development of a sewerage facility in my electorate, and I would have

preferred that that problem had not existed. I would not have the temerity to suggest to my electors, albeit that I might have acted not in accordance with the wishes of some of the more extreme opinions, that they are not entitled to voice their opinions, and I would not suggest that I should have closed my ears to their representations. In fact, I acted to attempt to achieve some consensus in the conflict. Honourable members can rest assured that if there is any suggestion to build a new sewerage facility in my electorate I will be highly involved myself in the planning process and would adamantly and vehemently object to it, notwithstanding anything the Minister might want to do.

Many people were involved in those objections because rezoning has an overwhelming effect on the local environment. Planning cannot be confined to the right to object to what goes on next door. The environment in which one lives, particularly the urban environment—as the honourable member for Stafford knows and as many other members in this House who have brought a procession of problems from their electorates would know—can be affected greatly by rezoning. Rezoning is likely to lead to the biggest problems because rezoning involves the biggest amounts of land, the biggest developments and potentially the biggest impact on local life.

So I hope that the Minister retracts and recants the statements that he made. Perhaps they were part of a pre-election mood of wanting to appeal to the emotions of all the audiences that one has to address at this time, but unfortunately for the Minister the extra ears were there to hear and the Press reported these matters. That has caused a great deal of excitement in the community, and a great deal of hostility. The reported statements did not do credit to the amendments to the Local Government Act and City of Brisbane Town Planning Act which the Minister introduced earlier this year, and which in fact strengthen the public participatory process in many of the planning matters of this State. I hope that the Minister's statements can be explained in that enthusiasm of appealing to a particular and select audience that was at that time assembled.

Any suggestion that the 1980s should exclude participatory action by the public in planning must be totally rejected. In the 1980s there must be more participation than there was in the entrepreneurial '70s. The people demand it and the members of this House should be committed to giving it to them. It can be organised by adopting the devices which most other parts of the civilised urban world have adopted.

Mr DEPUTY SPEAKER (Mr W. D. Hewitt): Order! Under the provisions of the Sessional Order agreed to by the House on 28 August, the time allowed for Matters of Public Interest has now expired.

[*Sitting suspended from 1 to 2.30 p.m.*]

FARMERS' ASSISTANCE ACT (AMENDMENT) AND RURAL ADJUSTMENT AGREEMENT (RATIFICATION) BILL

SECOND READING—RESUMPTION OF DEBATE

Debate resumed from 11 September (see p. 436) on Mr Ahern's motion—

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

Mr BLAKE (Bundaberg) (2.30 p.m.): The Opposition supports the principle and the objectives of broadening the Farmers' Assistance Act and the rural adjustment agreement with the Commonwealth, to assist farm rationalisation and what I believe it will lead to, that is, the introduction to and establishment of young farmers and sharefarmers in the rural industry.

The broadening of the concept and the qualification for assistance envisaged in the Bill will assist the transfer of family farms, or portions of family farms and farm enterprises, to other members of a family or, as has been pointed out, will qualify a foster member of a family who can meet the criteria to qualify as a considered member of a family.

There are many good reasons for these objectives that arise in the practical operation of a farming enterprise and the desirability of transferring a property or a portion of a property to a younger member of a family or to other eligible persons, or the enlargement of a property. The passage of time has an effect on all of us and the farming community and its members are not excluded from that process.

It is necessary at this early stage to emphasise that the Rural Reconstruction Board will be allowed to operate in pursuit of these desirable aims solely and only as a lender of last resort. It is very important to realise that people will have to be in certain straitened circumstances before those conditions will apply to them. In other words, irrespective of the merit of assistance for the aforementioned purposes, that financial assistance will not be forthcoming if it can be obtained from any other sources. If it were possible to obtain this assistance when it was available from other sources, it would leave the intended legislation open, and rightly so, to the accusation that it was sectional legislation. Of course, in this case, as I have just said, the money will not be available to those who are viable enough to get it elsewhere, so we do not consider it sectional legislation.

There is a great need to promote and assist the movement of younger people into primary industry. This is a world-wide trend. About four years ago I was in Europe for six months and that trend was obvious there. I do not know whether it was because young people in the European countries do not get assistance to move into primary industry or whether they find other avenues of employment or other vocations much more attractive than the rural scene. The Green Paper

on primary industries which was prepared by the Whitlam Government showed quite clearly that that trend was evident in Australia.

I do not know whether the trend to an ageing rural work-force is attributable to anything specific. It is probably attributable to few young people being able to raise the capital necessary to move into the larger units of the size considered viable in our rural economy today.

Land and plant costs are prohibitive in terms of what young people can afford or can raise. The buy-in costs are probably the main factors keeping them out of rural industry. One of the objectives of this legislation will be to assist young people who are related to members of the rural community to remain in a rural occupation.

Farming is becoming more and more untenable in terms of financial risk. It is a risky living, because not only are returns determined by the vagaries of the weather but also by the vagaries of markets which fluctuate wildly, particularly in Australia. Most of our industries depend predominantly on export markets, which is a situation quite different from that of rural industries in many other countries.

As world markets fluctuate greatly, so does the lack of security evidence itself in rural industries. Indeed, as the Rural Reconstruction Board is a lender of last resort, we expect that assistance will be extended only to the needy. We can only depend on those administering the Act and the parliamentary watch-dogs, shall we say, who oversee their operations. But, bearing in mind the national desirability of assisting aged persons who wish to live on a property or to share the responsibility of a property, and of inducing suitable younger people to enter rural industry, we should look at this type of Commonwealth-State legislation in a community sense and deny suggestions from anybody, particularly other sectors of industry, that it has a sectional flavour.

If we let the family farm die out, the alternative is farming by large corporations and a displacement of many rural dwellers from farms and small service towns onto the labour market, thus aggravating the present unemployment problems that we as a society face. If the broadened Rural Reconstruction Board guide-lines are operated in the spirit that the Minister attributed to the Bill's provisions, the objectives of farm rationalisation, the retirement of older farmers and the attraction of young people to rural industry should be achieved at good value to the community and in the national interest.

I say that because I believe that it is through the family farm that we get the best value in return for Treasury assistance. If a person is employed, naturally he can value his labour at work-force value, and it would be foolish for primary producers not to do that. But the point I am trying to make is that a period of bad seasons, bad

prices and low-lending capacity is a time when self-employed people, provided they receive a modicum of living assistance, can hang on, whereas if they are completely at the mercy of the money market they will have to capitulate and walk out, in many cases losing the accumulated benefits of a life-time of struggle.

The Opposition has studied the machinery provisions of the Bill relating to the Rural Adjustment Agreement with the Commonwealth. We consider that there is nothing to argue about in relation to the entry of the Northern Territory into Statehood or the updating of legislation in keeping with experience gained in administration since the implementation of the present Act. The decision to include the Northern Territory in the agreement needs no comment. There is no disagreement with the provision that will enable the Commonwealth Government to inject further funds into the scheme by way of a supplementary advance to a State. I must be quite frank here. I think that that is essential, and it is rather surprising that that authority to inject further funds into the scheme by way of a supplementary advance from the Commonwealth Government to a State is not already provided for in the present Act.

I now refer to the provision that will allow total utilisation of funds by the movement of funds amongst States. It is a bit difficult to visualise the circumstances in which it would be necessary to use this provision, but I guess there is a very good reason for including it. Whatever the reason, I guess the justification for it is there. The donor State's approval will be required before its allocation can go to another State. In these days of fighting for finance, I think that an unusual circumstance would have to arise before any State would wish to allocate its funds to some other State. If a State gives its approval, apparently it will be OK, and it is not for me to speculate about the circumstances in which that position could arise.

It is sensible to allow a State to pre-commit funds from its next year's advance. It is easy to see this situation arising. I think that in most programs, the body administering the programs runs out of one year's allocation and wishes to dig into next year's allocation to meet some worthwhile demand. Of course, the pre-committing of next year's funds to this year's work would have to be done with great responsibility, or it would be like financing some of our community and local authority assets: we could be giving the benefits of Treasury finance to one generation and depriving others of their rightful place in the scheme of things. A certain elasticity is desirable in such circumstances, and I think that this provision is included in the Bill for that purpose.

It is fair enough to include the apicultural industry in the scheme. I suppose it has been an oversight, to some extent, that that

industry has not previously been included in the scheme. It is an agricultural industry, and it supports people who have just as significant human problems as those experienced by people in other industries.

It could not be argued that the time for which household support can be granted should not be extended from two years to three years in certain circumstances or that the amount that can be advanced should not be increased from \$3,000 to \$5,000. I believe that Government money, or Treasury money, can be spent to good advantage in this rural assistance scheme through the Rural Reconstruction Board. That is the very point I was making when I was talking about getting value for money. In many cases, because of fluctuating markets and seasons, things get completely beyond the control of people and they often find that they have no resort to further finance.

That would mean that they would have to dump, if I may use that term, the whole lot, and thus lose the results of a generation's work or even the work of two generations. If such a farming household can be extended support in dire times, it may be able to come through those circumstances which are entirely beyond its control and retain the enterprise and eventually pass on to its heirs the benefits of a lifetime of work in that particular rural enterprise.

Primary producers face greater and ever-increasing financial risks as a result of the inescapable changing financial structure of primary industry. There was a time when a family farming enterprise represented a great part of family labour input and a relatively small financial commitment by way of financial input. That position has been completely reversed, and as time goes on that reversal will be accentuated. In broad terms perhaps I could illustrate it by saying that in the old days the value of a farming family's labour probably represented 80 per cent of the input into the enterprise to produce the crop, whether it was fibre or food, and about 20 per cent of the input was the financial involvement. Today the position is the other way around in that it does not matter how energetic the farmer and his family are with their labour input, it will still represent only about 20 per cent of the total input, with the financial input being 80 per cent of the total cost of the expected crop. I say "expected" because in adverse circumstances there is no crop or return.

In the old days an efficient farming enterprise could recover from a drought in a matter of three years. On that record of performance, lending institutions would lend money accordingly. However, today it is the other way around, and the financial input is 80 per cent of the total, so banks will not risk having to chase their investment. It also means that the farming enterprise takes five years or more to recover from the effects of a single crop failure—whether it be a crop failure as such or a failure of return through loss of markets.

I repeat that the principle of the Bill has the Opposition's support.

It is indicative of the principles of the Bill that it has the support of farmer organisations. The National Farmers Federation is in favour of the principles of the Bill and, as I stated before, the Opposition does not intend to argue the clauses of the Bill.

Owing to a certain function presently being conducted in this building, I cannot state with certainty whether any other Opposition members will address themselves to the Bill. However, I conclude my remarks at this point and say that any legislation, however good it is, is only as good as its application.

I know that the inclusion of blood relations, marriage relations and foster relations in those eligible for assistance in farming enterprises is open to a bit of juggling, and there will perhaps be a misuse of funds if that is allowed to happen. Leasing, sub-leasing and what I might call gerrymandering of family property have taken place at different times in the past and no doubt will occur in the future. However, we cannot guard against that by altering the clauses of the Bill, or at least that is the conclusion I have come to after studying the Bill. It will rest with the ability of the officers administering the scheme in the form proposed in the Bill, and it will be up to the integrity and vigilance of whatever Government is in power to ensure that the scheme operates in keeping with the spirit of the Bill. We support the spirit of the Bill.

Mr NEAL (Balonne) (2.51 p.m.): I rise to support the amendments included by the Minister in this measure. I believe that the family farm is the best type of pastoral enterprise. Members of a family certainly have the operation of their farm at heart. By and large, over the years family farms have proved to be the most economical form of working the land.

However, since the implementation of the rural reconstruction scheme, I have felt that there has been a gap in the charter of the board, in that it precluded members of the family or other persons suitably qualified who were not themselves holders of land. In other words, a son, a share-farmer or some other person known to a landholder could not obtain assistance by borrowing from the Rural Reconstruction Board.

The board is a lender of last resort. Over the years cases have occurred when people of the type to whom I have just referred have been unable to raise finance through normal channels. Had this amendment been introduced earlier, I am sure that it would have provided assistance to them. I have seen instances where, on the death of the father, a property has been left to a family partnership. The partnership might have operated for a number of years, with one son or a son-in-law operating the property but not holding land in his own right. Although other members of the family were

involved in it, they may have had professions of their own. However, when the time arrived for members of the partnership to say they wanted out for one reason or another—whether it was low commodity prices or high prices and they thought it was a good time to sell—the person who had been operating the land for many long years was, because of the debt structure of the property, not able to borrow sufficient funds through normal channels to purchase the other shares in the land. That is one of the saddest things I have seen about family farms. Some have been in a family for three generations. In one case, it was the fourth generation.

Mr Davis: It doesn't only happen on farms. It happens with properties in the city. What are you talking about?

Mr NEAL: I am talking about people who can be assisted under the rural reconstruction scheme. The member for Brisbane Central is posing another argument.

As the Minister has stated, various provisions will operate, including the existing ones, for lending by the Rural Reconstruction Board. Under these provisions borrowers who, in the past, were not able to obtain assistance will now be able to come in under the mantle of the Rural Reconstruction Board.

I do hope that it does not jeopardise any consideration of the young persons' farm purchase scheme, in which I have been very interested for quite some time. I know that the amount that will be available for these lendings, that is, \$2m, is not a very large sum. However, it is certainly a start and a step in the right direction. No age limits will be imposed and each application will be considered on its merits. So an opportunity is given to younger people and family members to take over. This must be in the best interests of production from the land.

I shall not take up any more time on the other provisions embodied in the amendments. I merely want to express my appreciation of the Rural Reconstruction Board. Over a number of years I have had a fair bit to do with people who were trying to survive on the land. The board, in its capacity as a lender of last resort, has filled the gap. I know of many holders of family farms who would simply not be on the land today if it were not for the Rural Reconstruction Board.

Finally, I am pleased to see Opposition members support the Bill. I have great pleasure in supporting it also.

Mr WARNER (Toowoomba South) (2.58 p.m.): I support the Bill for the reason that it is a positive step designed in the main to help young people back onto the land. I commend the Minister for his fresh approach to this portfolio.

For far too long we have lost many young people from the land simply because no system of re-establishing them on the land has been implemented. So many aspects are involved in working the land that it is impossible to list them here.

The Bill is designed expressly to allow young people to acquire land through the Rural Reconstruction Board. I have many reservations about the board because I have had a fair bit to do with it in the past. The Bill is not before time, provided it is made to work. I am quite certain that the Minister who now administers Primary Industries will ensure that it does work. It is no use bringing in a Bill of this nature unless it is made to work properly.

For some years now it has been quite obvious that banks and wool firms have had little or no interest in lending money for the purchase of farms. They have done little to assist farmers to bring in their sons and daughters as partners so that they can form family partnerships or run farms on their own. Knowing that rural reconstruction is available, banks have in many instances refused applications for loans and advised the applicants to apply to the Rural Reconstruction Board.

If this scheme is conditional on first obtaining finance from commercial sources before a loan can be approved by the Rural Reconstruction Board, the Bill could be a very restrictive one in terms of the overall intention of the scheme.

The facts are that most persons who have to turn to this last-resort financing, which has been referred to by the Minister, are in the red anyway and have reached the point of no return as far as finance is concerned. If it is a condition of the board to consider equity which has been regarded by commercial finance houses as marginal, there is every chance that the scheme will succeed and be of great benefit to many who wish to go on the land.

An important aspect of such a scheme is the other requirement under the Bill that a successful applicant must have sound qualifications and experience. No amount of finance can make a farm, or other project on the land, successful if it is not guided by a person with a lot of experience. Over the last few years, unfortunately, far too little has been done to allow experience to be gained by many of our young men and women, especially those who wanted to go on to the land. In that context I am referring to people from the city and other places.

About three years ago I put to the Minister for Labour Relations a scheme whereby young men and women could be apprenticed to farmers and graziers. Such an apprenticeship is the only way in which future farmers and graziers can gain the necessary practical experience to make a go of it on the land under prevailing conditions. Rural schools can, and do, go a long way in providing this experience, but it is only on a farm or

a property that the down-to-earth experience can be gained. The jackaroo of the past could well have been called an apprentice. While he earned very little, over a four or five year period he learnt a great deal from the ground up, not from the top down. It is a great shame that union interference brought this type of apprenticeship to a halt by insisting on wages that the farmers could not afford to pay unskilled labour.

Mr Davis: That is a wide statement; do not talk in generalities.

Mr WARNER: That is the type of remark I expect from the honourable member.

Many people will now be able to get the necessary experience on the land in grazing and farming. I ask the Minister to consider putting such an apprenticeship scheme to the Minister for Labour Relations again. Without such an apprenticeship we cannot expect people to obtain a loan and go on to the land with the necessary experience. As I have already said, it takes at least 5 to 7 years to get the necessary experience to go into grazing.

Mr ELLIOTT (Cunningham) (3.3 p.m.): It gives me great pleasure to take part in the debate on this Bill. The Minister should be congratulated on bringing it down, because he is new in the job. I am sure that this is probably one of the most pleasurable jobs he has had to do. When all is said and done, primary industry is full of all sorts of—

Mr Vaughan: Nasty things.

Mr ELLIOTT: Yes, it is full of all sorts of nasty things. The Minister will not get much joy in attending to some of them, but in years to come I am certain that he will be able to look back at this legislation with a great deal of satisfaction. It is only a beginning to what we all hope will develop into a very worthwhile scheme, with far more money being committed to it. All we need to do is add a nought to the amount made available and we would really be able to go somewhere with \$20m.

This is a meaningful proposition designed to ensure that young people associated with farms that are not really viable in their own right, with aged farmers running them, will have flexibility which will allow the older people to go into retirement or semi-retirement. As a member who has been involved in the marginal dairy farm scheme in my area, through George Parker in particular, who has been responsible for that scheme, I have seen the great benefits that can accrue from such schemes not only to individuals but also to a whole area.

Fathers have been lent sufficient money to buy a piece of land nearby and to build a house, sometimes remaining involved in helping their sons run the farm. The combination of that aspect and the farm build-up

has enabled the reconstruction of total areas which were small individual paddocks going back to the very beginnings of development on the Darling Downs. Some of the small blocks were not viable.

Mr Davis: Like 120 acres at Greenmount.

Mr ELLIOTT: Greenmount and similar areas, which were dairying areas. Some of the farmers were in grain as well. They had mixed farms and, as cost pressures came upon them, they had tremendous problems remaining viable.

I am personally delighted with this scheme. One of its very good aspects is that it is not tied tightly to a person whose father owns a property. That is not an ideal situation. I support the family-farm concept. I have always gone on record as supporting it, because family farms are far more efficient than corporate farms.

Further west, the backbone of the grazing industry has been the share-farmer, the fellow who has been prepared to go to the mining areas and save enough money to buy farming plant and then get someone who will back him and give him a couple of thousand acres of country to clear and farm. Many members of the executive of the Grain Growers Association started off as share farmers. We are very pleased that these people are to be included.

I am pleased also that foster children are to be included. The Minister can include in the scheme a person who is considered to be a member of a family, a person who has worked for years for an old couple who have no children of their own. Those people can be brought into the scheme.

The scheme is good for the rural industry and also from the socioeconomic point of view. It is tremendous to think that we are doing something of real social value as well as something on the practical side. I support the scheme wholeheartedly. Every fair-minded member would support it.

The only limiting factor is the amount of money involved. We hope that, in the future, more money will be made available and that we will be in a position to broaden further the scope of the scheme and bring in outside people who have no actual capital involvement—people who have no capital involvement and are not necessarily sons or relatives but have worked as station hands, etc.

Mr Davis: Do you think that your share-farmer should be included?

Mr ELLIOTT: I do not have a share-farmer. A fellow works for me and runs the farm and he gets a share of the profits from my farm.

Mr Davis: He should; he works 20 hours a day.

Mr ELLIOTT: That is good, coming from the honourable member for Brisbane Central. He used to employ taxi-drivers who worked 24 hours a day. I am told that he was generous in that he gave them half an hour off to eat their Christmas dinner. I think we have had enough frivolity for one afternoon from the honourable member for Brisbane Central.

I whole-heartedly support the Bill and look forward to the expansion of this scheme to encompass an even wider group of people.

Mr BOOTH (Warwick) (3.10 p.m.): I, too, would like to speak in support of the Bill. Firstly, I want to congratulate the new Minister on his appointment and commend him for introducing this Bill. It might have been that fainter hearts would have weakened at the amount of money involved and perhaps shelved the idea for a time, but the fact that the Minister has been prepared to bite the bullet and introduce the Bill is something to be said in his favour.

Like the honourable member for Cunningham, I feel that the amount of money to be made available is disappointing, but I suppose that once we have established the principle we have gone at least part of the way, and whilst we might be looking at a regrettably small amount at this stage it might not be all that many years before a reasonable amount is available.

I support the Bill not only because it will mean a man of advancing years or in ill-health can sell out to his son or someone vitally interested in the property but because it might well be that the value of farms in this category will be increased. I say that because farmers in this position will be able to purchase bigger and better machinery and thus achieve greater economies of scale. In the past four or five years huge amounts have had to be outlaid on the equipping of a farm. In fact, the honourable member for Bundaberg made that point very plainly, and I agree with him. A different scale of values now applies. For instance, 20 years ago the value of the land itself was perhaps 80 per cent of the entire value of a farming enterprise but now, with the increased value of plant and equipment, and particularly if there is stock on a property, the value of the land would be perhaps only 50 per cent of the value of the entire property. So farmers are facing a changed set of circumstances, and this must detract from the stability of the operation. Lenders believe that land is the best risk and they are prepared to lend more on a property if the land value is high, but if the land value is only 50 per cent of the value of the entire property the lender tends to have another look and probably reduces the amount he is prepared to lend. That is a recent problem young farmers have had to face.

The Bill makes provision for a farmer who wants to divest himself of his responsibilities and pass them on to his son, perhaps

because of advancing years, ill-health or some other factor. I do not think we should make the definition of "some other factor" too rigid because there are many reasons why a person might want to divest himself of his interest in the land. For instance, our very wealthy friends on the Opposition benches—I instance particularly our taxi-driver friend on the front bench—receive huge superannuation payments when they leave their jobs and they are usually able to live very pleasant lives, but a farmer usually has a lot of loyalty to members of his family and is not prepared to saddle them with too much debt. Unfortunately, money sometimes has to be borrowed to purchase machinery, otherwise the young farmer will be left to carry on with inadequate machinery and equipment. For that reason, if no other, I think under this Bill we can look forward to an increase in efficiency and perhaps some improvement in the way of life of people on the land. If, at a reasonable age, they can pass their interests on to their sons and enjoy life a little after all the hard work they have done, it will be beneficial to all concerned.

Mr Davis: I am going to invest my money in the land and get all those tax incentives.

Mr BOOTH: I cannot see it happening. The honourable member's judgment of the land is so bad that I do not think he would know what to do with it.

A Government Member interjected.

Mr BOOTH: I am inclined to think he would still get lost. The only place he knows about is Greenmount, and I do not think he would find that unless somebody gave him a map.

I did say earlier that I was disappointed with the amount of money that has been allocated, and I want to say a little more about that. The amount of \$2m is a start, but we must look at the situation that confronts a young farmer. I can remember years ago when people said, "If you have £10,000, you can go farming anywhere without any problem." We keep on adjusting that figure each year. Recently I have heard it said, "You must be able to raise from \$150,000 to \$200,000, or all you will do is get yourself into a lot of trouble." Whilst that might be a little bit broad, I think that that is the case in many instances. That is what happens unless people are able to generate enough funds to get some economic thrust and viability into their business.

I spoke before about the loyalty of the family, and I wish to refer to that again. A farmer, because he is so loyal to his family, is prepared to sell out for about half of what the farm is worth to try to get his son involved and to kick him off with a reasonable chance. I do not think that is fair. We know that potentially professional

persons are able to get a tertiary education—admittedly it is means tested—at the expense of the taxpayers. I am not quibbling about that, because some of my children have shared in it. However, a young farmer has to start to make his own way in life, and unless he is able to generate some money, whether it be from his own family or a guarantee from a bank or lending institution, he has to plug on with either a farm that is not viable or a huge debt, particularly in the initial stages.

This is the area in which high interest rates have played a big part in recent times. When a farmer looks at his budget, he has to provide for redemption repayments plus interest charges. It appears that at present we are stuck with relatively high interest rates, and these add to the struggle of the farmer who is trying to come out on top.

Let us consider that figure of \$200,000. Even if the young farmer has some equity, he probably has to find \$15,000 a year in interest charges. If he is paying off half that amount in redemption repayments, it means that he is paying about \$2,000 a month in redemption and interest charges. Whilst our friends in the sugar industry might be able to saddle up to that position quite easily, it poses a problem for some of those in the less lucrative fields of agriculture, and they are the ones I know more about.

I commend the Minister on what he has done. I would like him to look a little further at the amount of \$2m. Somewhere along the line we have to try to increase that amount. I am inclined to think that the best we can do is fund about 20 farms in one year. I can only hope that the Minister, with the drive and enthusiasm that he has shown, will battle on next year and push that figure much higher.

The dairy farmers in this State have been able to share in a similar scheme for quite a few years, and I think that it has been beneficial to them. I know there are some people in the dairy industry who think that we should reopen the industry and let people move back into it. I am a little worried about that at this stage. I am of the opinion that we would be far better off with fewer dairy farmers who are reasonably equipped and earning a reasonable income than a large number of dairy farmers who are struggling. If there is any talk of reopening the dairy industry, we should have a good look at it. Those presently in the industry have had to purchase a quota. If anyone is allowed back into the industry, he probably will be faced with the same problem of purchasing a quota; in fact, I believe that he should be faced with the problem of purchasing a quota.

I do not think there is a great deal to be gained by my speaking on this Bill at any further length, except to say that this is only the first stage of a great scheme that

might well build up. Whilst we might have been a little worried in the past that we have lagged behind some other parts of the world—

Mr Davis: You certainly have.

Mr BOOTH: I said “parts of the world” not “other States”. We might have been a little worried in that regard but we have made a start, and I hope that we will go on from strength to strength. I am hopeful that I will be around to help the Minister push this scheme to the utmost.

Mrs KIPPIN (Mourilyan) (3.20 p.m.): I, too, would like to contribute to this debate and congratulate the Minister for having the fortitude to bring this scheme forward. For some time it has been discussed, along with other schemes, and it has now been introduced in an effort to get people back onto the land. A number of members would have liked a scheme to help young people back onto the land introduced some considerable time ago. I hope this will be the beginning, with better things to come, to help many of our young people who probably commenced their lives on the land but have since had to leave it. Some other young people have not had the opportunity to get onto the land.

Particularly in the last two years, there has been a revival of interest in farming amongst young people. A few years ago, when the beef industry went bad, disillusioned people left the land in droves. The pity of that was that we lost many farmers who virtually walked out destitute. That has been to the disadvantage of agriculture in Queensland, because a lot of land was taken up by absentee landlords, by Queen Street or Pitt Street farmers and by others who do not live in Australia. No doubt all these people are using the land to some extent, but I do not believe there is any substitute for the family farm run as a family enterprise. Down through time that has been the backbone of Australian agriculture.

I have no qualms whatsoever about supporting the introduction of this legislation. I know that a number of people will be disappointed that it is restricted to the family of people on the land at the moment, or to lessees who are in fact at the moment involved in farming. But, as previous speakers have said, we have to start somewhere, and I believe this is the right place to start to get back onto the land people who at least know something about the land.

The criteria are set down fairly carefully, but I hope that the Minister will allow some leeway in deciding just who “prescribed persons” are. I believe that distant family members should be considered if they can justify their entry into the operation. Often members of a family have to leave the land and go further afield. Country people seem to have large families. Very often a farm that sustained one family is not big enough

to support the families of the children who wish to continue on the land. This scheme will help back onto the land those who once lived and worked on a family farm.

Many people do not realise that primary industry suffers many adversities. Of course, the two main problems are very low prices and very bad seasons. In the mid '70s the beef industry was adversely affected by very low prices for four to five years. Many young people had to leave school and return home to be the willing labour on family farms. They gave up their education and any opportunity they had of embarking on a profession. It is very important that we as a Government look to the welfare of those young people and repay them for the sacrifices they have made, not just in the interests of their families but overall in the interests of the industry.

As I said earlier, I hope that this will be the beginning of a scheme to help young Queenslanders back onto the land so that many land sales in the future will be made to those who will actually live in the community, work their own land and contribute considerably to the welfare and development of primary industry in Queensland.

Mr P. N. D. WHITE (Southport) (3.25 p.m.): I would just briefly like to indicate my support—

Mr Davis: Page 4 of the policy.

Mr P. N. D. WHITE: I am glad the member for Brisbane Central has read it.

There is no doubt that we do have a problem in this State—as do other States and countries—of a declining rural population. Given the basis that we want to keep people in the country for all sorts of reasons, apart from primary production, Governments have to take steps to keep them there. In view of the general decline in the rural population, they have to be significant steps or people will continue to drift to the cities from the bush as facilities in the cities get better and as leisure-time in urban jobs gets longer. Although persons on the land may not now work as hard physically, because of more machinery, there is no doubt that their hours are getting longer and longer as their work-force declines.

On the land in Queensland, generally speaking, we have older people and very young people. As the older ones get older, they are leaving the bush. It is the younger people we have to encourage to stay on the land or return to it. This is a modest start to a scheme that I hope will continue over the years. The Minister, I know, would like to see more money in this scheme. However, the fact is that it is limited at present. I applaud the initiative, which certainly has my full support. I know that it will be a most successful scheme.

Mr AKERS (Pine Rivers) (3.28 p.m.): I, too, lend my support to this scheme. As the previous speaker and others have said, it is a fairly modest start, but something that I hope will grow. Having spent most of my childhood and teenage years on sheep properties and dairy farms, I know how hard people in the country work. As many people in my electorate are in dairying or other pastoral pursuits, I know how hard they work and how much encouragement they need for the future. With this sort of scheme available to them and to the young people, there is an incentive for them to keep working and to keep sheep and cattle stations operating for their own young people to take over. I look forward to this scheme promoting that idea.

Even though primary industry may not be as dominantly important in Queensland as it has been in the past, it is still a very important facet of our economy. It has not diminished at all. Other industries may have caught up to it, but it is still very important and needs all the encouragement possible.

Early last year I was in Julia Creek talking to people about employment. It was obvious that, once young people moved away and found how comfortable it was in city areas and how much cost and hard work would be involved in returning to a property, they would not be coming back. I hope that when this scheme gets going properly and develops over the years, as I know the Minister intends—I hope that the rest of the Government supports him—that sort of disincentive to stay in the country will be eliminated. I certainly add my support to it. I entirely support the Minister's introduction of the Bill.

Hon. M. J. AHERN (Landsborough—Minister for Primary Industries) (3.30 p.m.), in reply: I thank all honourable members who have participated in the debate. I make it quite clear that in my introductory speech I indicated that the rural reconstruction funds that are being made available under the scheme are being provided within the general guide-lines of rural reconstruction in Queensland. Firstly, the board is a lender of last resort. Secondly, guide-lines are laid down concerning viability and residency. Those guide-lines must be adhered to.

The moneys that are being made available under the Rural Reconstruction Scheme are being provided by virtue of their being recycled funds. They are not Commonwealth prime funds. They have been returned under the operation of the scheme earlier than the original scheme envisaged. So we are recycling them during the balance of the loan program that was made available by the Commonwealth Government for these agreed purposes. I have made it quite clear in my public comments that this is a last-resort situation.

Honourable members, particularly the Opposition spokesman, have indicated that much more money may be required to meet the needs. That may well be so. At present we are not quite certain what the demand for these will be. Indeed it is a modest beginning. But at least \$2m will be made available annually under the scheme. Nevertheless, the program is quite a significant one and has the support generally of honourable members. I appreciate that support.

I was very pleased to hear the honourable member for Bundaberg say that the legislation represented a commitment to the family farm. It certainly does. He has that commitment, I certainly have it, and I think most honourable members have it. We hope that it will make a meaningful contribution towards solving the problems confronting families involved in agriculture in Queensland.

The honourable member referred particularly to the movement of money between the States. These items in the Bill are of a machinery nature and are to take account of the negotiations that took place between the States when the Northern Territory was introduced into the scheme as a full member upon attaining Statehood a couple of years ago. On that occasion most of these machinery measures were agreed to so that the scheme could be taken well into the future, for the next 20 years, as these funds are committed over a 20-year period.

When I read that the proposition that moneys could move interstate had been agreed to, I felt that that was something that was to be hoped for rather than expected. I think that is the way it will be. Nevertheless, the machinery is there in case it is needed. Who can predict what will happen over the next 20 years?

I recognise the contribution made by the honourable member for Balonne in his advocacy of the young persons' farm purchase scheme. Over a number of years he has been advocating this scheme and has recognised that in a small way this legislation will assist young persons in agriculture. I compliment him for his advocacy of the scheme and say that my interest is his interest. I am very hopeful that we might be able to offer something in that regard in the years ahead. The matter is certainly under study by my department.

I thank the honourable member for Toowoomba South for his contribution. I draw his attention to the fact that clause 6 provides specifically that for a person to be approved under the scheme he must satisfy the board that he has sufficient practical experience in the type of farming operations intended to be carried on under the proposal. In other words, there will be a very strong commitment to seeing that the people who are assisted under the scheme have the necessary experience to make a

success of it. I do not think that lots of people will migrate from the urban areas to the great Outback and be equipped with farming enterprises. That is not envisaged; it is not on. Experience is an important qualification. I think most members would agree that experience is of utmost importance in the attainment of success in agriculture.

The honourable member spoke again, as he has on many occasions in this place in the past, of his support of a rural apprenticeship program. I compliment him on his advocacy. That is a matter for one of my colleagues, the Minister for Industrial Relations, but, as he has requested, I will take the matter up on his behalf because I certainly support such an approach.

The honourable member for Cunningham said that the principle we are laying down today already operates under the marginal dairy farm scheme. It has worked very successfully there. In fact, the success of that exercise probably prompted the move to widen the scheme generally under this Bill. It has certainly been successful in the dairying industry. We hope that it will be successful across the board in agriculture in Queensland.

I want to thank the honourable members for Warwick, Mourilyan, Southport and Pine Rivers for their contributions. The honourable member for Pine Rivers referred to the importance of agriculture in Queensland. Since being given my new responsibility I have been studying the contribution that agriculture makes to the State and the contribution it might make in the years ahead. It is quite astonishing to look at what is planned in agriculture in the coming years. I believe that the really great contribution to the State in the years ahead, in terms of productivity and employment, lies in the agricultural areas generally.

Agriculture also has a contribution to make in decentralisation. Although the drought is a dreadful problem in most of Queensland at the present time, almost all of our primary industries are looking to expansion in the years ahead.

It is quite exciting to talk to cotton growers who are looking at doubling production in the next few years, or to talk to grain producers who are already expanding planting areas to the extent of 15 per cent a year, which means a doubling of the whole grain industry in Queensland every five years. We have expanded the sugar industry and will be looking at it again towards the end of the year. The Treasurer indicated the situation of the rice industry. Almost anywhere we look, we are looking confidently to the '80s.

The contribution that agriculture makes, and will make, will, I believe, outweigh that of some of the other projects which are prominent in the glossy magazines, the feature articles and so on in the newspapers. In the

past agriculture has made a magnificent contribution to this country. In the years ahead it will make a greater contribution as it expands and creates more employment opportunities and better productivity for our State and nation.

I have spoken long enough. I will simply say that the Bill is designed to help families on the land. Of particular importance, it will help young people on the land. I say with a great deal of personal satisfaction that I am pleased that this particular principle rests in the first measure I have introduced.

Motion (Mr Ahern) agreed to.

COMMITTEE

Mr Miller (Ithaca) in the chair

Clauses 1 to 15, and schedule, as read, agreed to.

Bill reported, without amendment.

THIRD READING

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

LIQUEFIED PETROLEUM GAS SUBSIDY BILL

SECOND READING—RESUMPTION OF DEBATE

Debate resumed from 16 September (see p. 513) on Dr Edwards's motion—

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

Mr WRIGHT (Rockhampton) (3.41 p.m.): The objective of the measure before us is to establish a statutory authority to administer a Commonwealth-funded subsidy scheme for the distribution of liquefied petroleum gas that is to be used for non-commercial purposes. I have considered the proposal that has been put forward and I am aware that this is in line with other legislation that has been brought before other Assemblies and that it has been necessary for Queensland to involve itself in this scheme because of some constitutional difficulties that the Commonwealth has in making direct subsidy available to consumers.

From the outset it is desirable that I say that it will be of benefit to the consumers because it will mean a subsidy of some \$80 a tonne of LPG sold and LPG and naphtha purchased for the production of gas that will eventually be used by consumers. So we have here an indirect consumer, subsidy scheme that, in the long term, if it is applied correctly and if the consumers do get the flow-on effect of such a subsidy, will lower the cost of this type of fuel in Queensland and, I hope, throughout Australia.

I am, however, concerned about a system under which the subsidy will be passed dir-

ectly to the manufacturers or retailers and the consumers will have to depend on their honesty to get some benefit from the subsidy. I recall that when the Whitlam Government reduced and removed in some instances the tariffs on some imported goods, the retailers and importers did not bother in so many instances to pass the benefits on to the consumers.

I think back very quickly to the motor vehicle spare parts industry and the clothing industry. Regardless of the removal of tariffs, the consumer was still paying high prices because those involved simply said that that is what the market would pay. I can see some problems unless there are safeguards.

It could well be said that there are safeguards, because the legislation provides that, before payment is made, a claim has to be certified. The legislation reads—

"(1) An authorized officer shall examine each claim for a payment under this Act made to him and shall, if he is satisfied that an amount is payable to the claimant, give a certificate in writing to that effect.

"(2) An authorized officer who is examining a claim for a payment under this Act may give a certificate in writing—

(a) that a specified person sold a specified quantity of liquefied petroleum gas for eligible use on a specified date;

(b) that a specified quantity of liquefied petroleum gas or naphtha was purchased by, delivered to, or used in the production of eligible reticulation gas by, a specified person on a specified date; or

(c) that a specified person sold a specified quantity of eligible reticulation gas for eligible use, or sold a specified quantity of eligible reticulation gas, during a specified period."

I note, too, that there is power for investigation. The claimant is required to preserve his accounts. If he does receive an overpayment, he can be investigated to the point where court action can be taken against him.

But, as we appreciate when we start talking about deterrents, it is necessary to ensure that the deterrent is sufficient to meet the gravity of the offence that might arise. In this instance I doubt very much that the penalty is any real deterrent, because we note that the total penalty is \$2,000 or imprisonment for 12 months. There is a minor penalty of \$500 for not giving information. So we are talking about a penalty of \$2,000 for what could be a false claim amounting to many thousands of dollars. One quickly calculates that at \$80 a tonne an offence concerning only 100 t of LPG would involve an amount of \$8,000, and I suggest that the penalty provided will not be sufficient to ensure that a proper claim is made.

I appreciate that the responsibility is not really going to be on this State. It is a Commonwealth matter and the State is really acting as an agent—I think that was the term used by the Treasurer the other day when introducing the Bill. But the State has a responsibility to the consumer, because, after all, an objective has been stated here. The aim is to reduce the dependence on other energy sources and increase the use of LPG.

I totally support the concept—as does the Opposition—of encouraging the use of LPG. I totally support the concept of reducing the cost to the householder and other non-commercial institutions such as hospitals and schools, but I wonder how far we will be able to go, and whether there will be enough protection to ensure that that subsidy finally ends up in the consumer's hands. I realise, too, that it will not be up to the Treasurer to play policeman in this instance, but I hope, because he no doubt has the interests of the consumer at heart, that he will keep a watchful eye on the whole scheme.

Might I say that the concept is a good one, to try to get a lower cost factor—an inbuilt subsidy scheme—in the energy area, and I hope this Bill will be a precedent that will be followed in other areas. I quickly cite the proposal in Queensland to promote the use of solar energy by way of solar hot-water systems. I was at a home show last week, and what surprised me was the massive cost involved in the purchase of a solar hot-water system. This is a great pity, because there is a concern in every community, every business and every Government about the massive costs involved in the provision of energy today.

The Treasurer said in his Financial Statement that the fuel cost bill for Queensland from the Government's point of view had increased by something of the order of 240 per cent in three years. That cost has to be borne by the people of Queensland. If we can get them to use alternative energy sources then Queensland must benefit and the people must benefit. So we need to pursue this idea now, not just in the LPG area but also in the area of solar energy. It certainly needs encouragement. The Commonwealth, through the State acting as an agent, ought to be subsidising the mounting cost to the householder of solar energy equipment. We also need to ensure that this applies to the non-commercial institutions, because hospitals, schools and so many others, including local government, can benefit tremendously. A very interesting concept is being proposed here. Other speakers intend to raise other aspects, but in principle we will support the Bill. We believe it is a good scheme. We believe that Governments at State and Federal level ought to be playing their part in encouraging greater use of LPG. Every effort should be made, however, to ensure that the consumer, the householder and the non-commercial institutions actually get the benefit.

This will require the bureaucratic policemen, but in the long term it will be in the interests of this nation, and certainly in the interests of Queensland.

Mr DAVIS (Brisbane Central) (3.49 p.m.): This Bill shows just how shallow and badly thought out is the policy of the Fraser Liberal/National Country Party Government, ably supported by this State Government, concerning world parity pricing and how it has cost Australian motorists, farmers and pensioners billions of extra dollars. It is quite evident why this Bill has been brought forward by the Treasurer. We regard it, and I am sure every supporter of the Australian Labor Party and the great bulk of Australian consumers—

Dr Edwards: Your people supported it in the Federal Parliament.

Mr DAVIS: Yes, with a lot of reservations. I am glad that the Treasurer has introduced this Bill. It is fitting that he should do so, because it is not complementary legislation; it is another form of taxation. That is what the world parity pricing policy is. On many occasions the Treasurer and leader of the Liberal Party has got up in this House and said that he is not opposed to the world parity pricing policy. He follows the Fraser Government willy-nilly. At the same time, he says, "We want a few extra dollars to come our way." We in the Labor Party do not agree with that policy.

I recall before the 1974 election, the great leader of the National Party, "Darling Doug", was one of the great proponents of this policy. At the same time we heard National Party candidates, National Party members and National Party Ministers saying what a poor deal their main supporters, the farmers, were getting from this policy. I am sure that many other Australians are in just as bad a position. This just shows that the Federal Government, which is supported by the National/Liberal Party Government in this State, is the highest taxing Government ever in Australia's history. Is that not correct?

Mr Wright: Not in the world, but certainly the highest in Australia's history.

Mr DAVIS: Yes.

Mr Wright: Not only that, but they have sent more firms into bankruptcy than any other Government in our history.

Mr DAVIS: I thank the honourable member very much for that quick reply. We all recall when the great need for LPG arose. The Liberal/National Country Party Government in Canberra wanted an alternative fuel. Many taxi-operators and other motorists converted their vehicles to LPG. They spent anything up to \$700 or \$800. All of a sudden the price of LPG was increased. So the benefits to these people who converted their

vehicles to LPG have been very minor. I was lucky that I was not in the taxi game at that point, because I probably would have gone broke by converting my vehicle to LPG.

Dr Edwards: They tell me you were an extremely good taxi-driver.

Mr DAVIS: I was an extremely good taxi-operator, the same as I was an extremely good small businessman, official and small farmer.

There has always been this deal between the Tories and the oil companies.

Mr Austin: What about that TWU vote you were trying to rig?

Mr DAVIS: I am glad the honourable member mentioned that. Did he receive a copy of the report?

Mr Austin: Yes.

Mr DAVIS: Then he would know that it was the greatest reference for a returning officer ever.

Mr Wright: You were totally exonerated.

Mr DAVIS: I was not only exonerated but also praised by the judge.

I shall now give some of the history of LPG. In 1978, LPG cost \$48 a tonne. The excise duty imposed by the Commonwealth Government increased the cost to \$67 a tonne. The BP oil company did not want to sell its gas to the Gas Corporation in Victoria, so it went to the Fraser Government and cried on its shoulder. There was an immediate increase in the price of gas. ESSO and BHP said that they were selling gas at the same price of \$67 a tonne. They said that they could not afford that and would rather flare it off the stack. Really LPG is just a by-product and can be flared off the stack. That must be correct because the engineer opposite is nodding his head. So the company went to the Fraser Government and that Government immediately increased the price of gas to \$110. So since May 1978 the price has been associated with world parity pricing.

Dr Edwards: That was the Prices Justification Tribunal, which your Government set up.

Mr DAVIS: Our Government set up the PJT and the Liberal Government changed the terms of reference and emasculated it. It is now called the gelded PJT.

Dr Edwards: Do you think it should be destroyed?

Mr DAVIS: No, I do not think it should be destroyed. As a matter of fact, when the Labor Party is in office again, which will be very shortly—about 18 October—I am sure the PJT will be given more teeth.

Towards the end of this year and at the beginning of next year a Labor Government will look at some of the oil companies in Queensland and their pricing arrangements, just as has been done in New South Wales.

I want to give some examples. Overnight the price of gas increased from \$67 a tonne to \$83. Two months later, on 30 April, it went from \$88 to \$110 a tonne. In August of the same year the price increased to \$147. Six months later, in January, it went up to \$252 a tonne. Is it any wonder that the motorists who converted their vehicles to use LPG as well as the gas producers went to the Government and cried, "Foul!"? The price of gas has been increased completely out of proportion. It is because of the hue and cry from consumers and other organisations that the Federal Government has subsidised LPG.

Mr Blake: Was it an industry rort or a Commonwealth rort?

Mr DAVIS: It was both. It was the oil companies who are in cahoots with the Federal and State Governments and it was an extra form of taxation by the Government.

I now want to raise something that has not previously been raised. The Treasurer and probably half of the country members would not be aware of this, but the members who represent the north side of Brisbane, even the member for Wavell—

Mr Austin: I asked a question about it this morning.

Mr DAVIS: The member for Wavell beat me by only one minute. I could not get my question in last week.

Last week I had a meeting of hundreds of the electors of Brisbane Central. Among them were pensioners, low-income earners and lone parents, and they complained about the increase in the price of gas.

Mr Austin: What about the crooked meter reader who was one of your party members?

Mr DAVIS: No. I checked it all out because honourable members will recall that years ago I had a running fight with the Brisbane Gas Company, long before the new chum member for Wavell came to this place.

Dr Edwards: You must admit he is a good member.

Mr DAVIS: As a matter of fact, when he entered this place I did think he had potential. Obviously people like the member for Sherwood now show a lot more potential because they are a part of the establishment. I will give the Treasurer a tip: "Watch your back, Doctor." I recommend to the Treasurer that he watch his back because the member for Sherwood speaks with a plum in his mouth and comes from the establishment, which the two unfortunates opposite do not. That is just a small tip.

Mr DEPUTY SPEAKER (Mr Row): Order! I ask the member for Brisbane Central to return to the Bill.

Mr DAVIS: Because there is a limited debating time and because there was virtually no Budget debate, I thought I would mention that for the benefit of the Treasurer and the member for Wavell, who made such a fool of himself when he called "Divide" with only one person on that side.

There were hundreds of residents at that meeting—and just in case it was thought to be political, I mention that I did not call the meeting.

Mr Kruger: Did you go there?

Mr DAVIS: Of course I did. People were condemning the Government. Of course, I tried to defend the Government, but I was truly outvoted.

Government Members interjected.

Mr DAVIS: It is all very well for members on the other side to laugh and for the newly elected deputy leader of the National Party—

Mr DEPUTY SPEAKER: Order! I ask the member to return to the provisions of the Bill.

Mr DAVIS: I am.

Mr Wright: He's right on the point.

Mr DAVIS: Yes, I am on the point. It is all very well for the Minister for Mines and Energy to grin and laugh. He represents a country electorate. However, the north side of Brisbane is reticulated by Brisbane Gas, a subsidiary of Boral, and has in the last 12 months had anything up to a 65 per cent increase in the price of gas.

Mr Austin: No, that's not right. It's only 36 per cent.

Mr DAVIS: I can show the member my own account. It's a 65 per cent increase.

Mr Austin: You didn't compare this winter's account with last winter's account.

Mr DAVIS: It is all very well for the member for Wavell, who lives in luxury at the top of Wavell Heights and has an all-electric home. However, other people are not so fortunate. They are not born with a silver spoon in their mouth like the Ralph Nader from Wavell.

Mr Wright: Don't give him any of that.

Mr DAVIS: I am sorry.

Dr Edwards: Just a moment ago you said he was of a man of the people.

Mr DAVIS: The poor man's Ralph Nader—very poor.

In 12 months there has been an increase from \$32 to \$50. I invite members to work that out. They will find that it is well and truly over 65 per cent.

Mr Austin: Check your summer account against the previous summer account.

Mr DAVIS: I have checked both of them. I have had representatives out from Brisbane Gas. I do not blame Brisbane Gas. As a matter of fact, that company has absorbed some of the crushing increases imposed by the federally inspired policy. The feedstock has to be bought from the refineries here in Brisbane, and the great bulk of that cost has been passed on.

However, it is also fair to criticise this Government, which has the power through the Gas Referee to investigate the prices. I would like to know what the Minister for Mines and Energy and the Treasurer have done to assist gas consumers on the north side of Brisbane. Absolutely nothing! I ask through you, Mr Deputy Speaker, what the Minister for Mines and Energy has done about it. I guarantee that he would not know. He probably thinks that North Brisbane is on natural gas, the same as the south-side.

Mr Sullivan: If you watch "Nationwide" tonight—

Mr DAVIS: I hope the Minister improves on his performance.

Mr Sullivan: Don't be unkind. I am only a new Minister.

Mr DAVIS: The pensioners have to pay. They have had to pay it as extra taxation. That is what it all boils down to. It results from the Federal Government's world parity pricing policy.

I want to make a couple of other points.

Mr Akers: You haven't made any yet.

Mr DAVIS: What has the member for Pine Rivers done to assist residents on the north side of Brisbane? Nothing, I would say.

Mr Akers: None of my people are on gas.

Mr DAVIS: I thank him. That is recorded. I won't take that out, either.

When this measure was introduced in the Federal House, it was said that one of the major reasons for the subsidy was to encourage consumers of other energy sources to convert to LPG. Consequently I direct a further question to the Treasurer. I hope that he answers it. What assistance will be given to the northside, which is a fairly large slice of Brisbane? As the price of feedstock continues to rise, obviously the price of gas will continue to increase further. We cannot continue with the ridiculous state of affairs that the price of gas on one side of Brisbane is almost double the price on the other side. That is the cold hard fact of the matter.

I want to quote the words of a well-known identity, Mr Keating, who is the ALP's Federal spokesman on the petroleum industry.

Dr Edwards: Is it true that Hawke has pushed him down the drain?

Mr DAVIS: Mr Hawke didn't push him down the drain.

Mr Keating has said that LPG is produced in Bass Strait for nothing. It is like gas from the refineries; it actually costs nothing. It is a by-product. That means that over the last two years the consumers of LPG in Brisbane have paid a price that has risen from \$67 a tonne to \$285 a tonne, less the \$80 a tonne subsidy that the Federal Government will give to consumers on the non-manufacturing side.

This brings us to the question asked this morning by the member for Wavell. The Minister's reply was to the effect that costs on the manufacturing side are astronomically high. That means that the costs of the many manufacturing firms on the north side of Brisbane will spiral also.

I do not intend to dwell on the manufacturing side. I am concerned for the number of people in the inner-city areas of Paddington, Spring Hill and Ithaca who use gas. They will be hit to leg. Furthermore, even pensioners are not given any reduction in cost. I can see the honourable member for Ithaca nodding in agreement. Obviously consumers have complained to him about the alarming increases in gas prices.

When I referred to the price of \$32 and \$50, I referred to the 12-month period between August last year and August this year. Exactly the same number of cubic metres of gas was used.

This matter is a serious one. I am not trying to be political. I am sure the member for Wavell would agree with me that the consumers in Brisbane will be caught in a bind if they do not change over to natural gas. Unless some subsidy is given, all that the gas consumers on the north side of Brisbane can expect under the franchise given to Boral is a further increase in the price of gas.

Mr AUSTIN (Wavell) (4.9 p.m.): I agree with the comments made by the honourable member for Brisbane Central concerning the price of reticulated gas on the north side of Brisbane. It came as a shock to me to discover the massive increases in the price of reticulated gas on the northside. However, I do not accept the percentages quoted by the honourable member for Brisbane Central.

I visited a number of my electors who complained about their gas accounts. I discovered that the gas accounts for the summer months differed significantly from those for the winter months. The same type of thing occurs in relation to electricity accounts. When people get their winter electricity account they see a dramatic increase.

To clarify a few points made by the honourable member for Brisbane Central, it is probably worth while putting in the records

of Parliament in this debate the question I asked and the answer I received from the Deputy Premier. The question I directed to the Deputy Premier and Treasurer was in these terms.

"(1) Is he aware that the cost of reticulated gas to consumers in the North Brisbane suburbs has risen dramatically in the past 12 months?"

"(2) What is the percentage increase in tariff?"

"(3) Why has the tariff increased so dramatically?"

"(4) Can any action be taken by the Government to control the increases?"

I asked that question quite genuinely because I did not know the answer. It was of great concern to me that there should be a big differential in the prices charged on the southside and those charged on the northside.

It is unfortunate that the problem appears to be beyond the control of the State Government unless it adopts the ALP tactic of price control, and I do not believe that that will work. This is the answer that the Deputy Premier gave to me this morning—

"(1) I share the concern of the honourable member in regard to the upward movements of the reticulated price of gas to North Brisbane consumers.

"(2) Within the last 12 months the Brisbane Gas Company Limited, a company which supplies the North Brisbane area, lifted tariffs on 11 September 1979, by an average of 15.9 per cent to domestic users and by an average of 18.3 per cent to industrial and commercial users. On 14 March 1980, the company again lifted its tariffs. On this occasion the domestic tariff rose by 18.9 per cent on average and the industrial and commercial tariffs went up by 42.4 per cent."

The honourable member queried that figure earlier. I believe he said that he did not hear it this morning. The Deputy Premier and Treasurer then said—

"(3) The cost of the gas supplied by Brisbane Gas Company Limited is dependent on the cost of naphtha which, in turn, is influenced by the cost of the feed stock, being a combination of indigenous crude oil and imported crude oil.

"The movement of prices for oil refinery products is set by the Prices Justification Commission and the price of gas to North Brisbane consumers is a reflection of the increased price for oil products.

"Consumers in South Brisbane are supplied by another company—Allgas Energy Limited. This supply is dependent on natural gas which, in contrast to the North Brisbane situation, has a much more stable price structure.

"(4) Neither the State Government nor Brisbane Gas Company Limited has any control over the movement of prices for

oil refinery products. As mentioned, this control is within the province of the Prices Justification Commission.

"However, the Gas Examiner verifies the cost of producing the gas and controls the dividends payable by the companies."

I do not think the honourable member can ask for any more control than that by the State.

I agree with the honourable member for Brisbane Central that, without doubt, the cost of gas on the north side of Brisbane has increased because of the parity oil pricing. That is one of the costs that has been reflected in the community. However, I do not see any significant change being made under the ALP's Federal policy on parity pricing. The ALP has only agreed to introduce a resources tax, which is basically the same. It will keep the tax the same as with oil parity pricing. There will be no difference.

Opposition Members interjected.

Mr AUSTIN: No matter what honourable members say, I have not heard one of them state that Labor will get rid of oil parity pricing. They are quite prepared for this tax to come into their coffers if they gain the Federal Government. They want all the benefits presently flowing to the Federal Government, yet they throw a lot of flak at it. I have not heard one word from the Opposition benches about the ALP being prepared to get rid of this tax. How sincere are honourable members opposite? They are not at all sincere. The ALP policies would cost the people more.

I made this speech today to make it quite clear that the honourable member for Brisbane Central did not raise the matter himself. In fact, he was ill-informed about some of the percentages he quoted. They were not right, but the record is now clarified.

Mr VAUGHAN (Nudgee) (4.14 p.m.): At the outset I will clarify the position for the honourable member for Wavell. My Federal counterpart, Mr Paul Keating, made the ALP policy clear. Labor will peg the price of oil for 12 months and advance it only in line with movements in the Consumer Price Index. I submit that the honourable member for Wavell misled the House purposely to gain a political advantage. He knows, as do all members of the Government, what the ALP policy is. As far as I am concerned, there is no need for this legislation. It has been introduced only because of the Fraser Government's policy of import parity pricing of Australian-produced crude oil.

Dr Edwards: That is not right.

Mr VAUGHAN: We should not have to consider this legislation.

I want to deal in detail with some of the comments made by the Treasurer in his second-reading speech. I want to deal also

with some aspects of LPG pricing over the past 12 months as a result of the Fraser Government's import parity pricing policy.

Dr Edwards interjected.

Mr VAUGHAN: I want to outline how I feel about this matter.

The motorists in this State and nation are being ripped off by the Fraser Government. Consumers of LPG are being ripped off by the Fraser Government. I want to make sure that the people of this State and nation know that the National/Liberal Government supports import parity pricing of Australian-produced crude oil, and they should not forget it.

Dr Edwards: You would do the same, but you intend to peg the price.

Mr VAUGHAN: The Treasurer should not try to put words into my mouth.

The fact of the matter is that we should not have to pay a subsidy on LPG. We are doing so only because of the Fraser Government's import parity pricing of Australian-produced crude oil, and that policy is completely supported by the State Government.

The Treasurer, in his second-reading speech, said that the scheme is for the subsidisation of the cost of LPG used for certain purposes. It is significant that the subsidy will not be applied in respect of LPG consumed for purposes other than those referred to by the Treasurer. I will deal with that matter later on. I can recall that one of the ideas advanced by the Federal Government when it introduced import parity pricing was that it would conserve liquid fuel supplies which, by 1985, would be in short supply. But what has happened? The Federal Government and the oil companies have reaped huge windfall profits at the expense of the taxpayers in this State and nation.

The subsidy of \$80 a tonne of LPG sold to consumers will be paid for three years from 28 March this year. The Treasurer said that the subsidy would be paid retrospectively to 28 March. From my inquiries and the information that has come to me, there could be considerable problems in applying the subsidy retrospectively. The majority of the distributors have not kept very good records, and if they try to apply this subsidy retrospectively, they will be involved in a complicated book-keeping exercise which, as I understand it, they are reluctant to undertake.

Another point the Treasurer made is that the scheme is one of a number of measures taken by the Commonwealth to reduce dependence on imported oil by encouraging the use of LPG. It was not so long ago that the Federal Government advocated that motorists modify their cars to run on LPG. The announcement was made at the time

that the Federal Government was modifying its fleet. There have been some significant changes since that policy was espoused.

What the Government is doing is not having any great effect on liquid fuel consumption. Recently it was stated that consumption had been reduced by 4.7 per cent. Considering the overall Australian consumption, that is only a flea-bite. And at whose expense? Anybody running an average motor vehicle is paying up to \$16 a week in taxes. The ordinary householders, because of import parity pricing, have to pay inflated prices for LPG.

The Treasurer went on to say that the measure was directed towards reducing the cost of LPG used by householders and non-profit type residential institutions and schools to allow them time to adjust to the rising price of LPG. It will apply for only three years. This indicates to me that it is only a temporary measure that will, as the Treasurer said, allow them time to adjust to the rising price of LPG. I will be talking about the extent to which the price of LPG has moved since the introduction of import parity pricing by the Fraser Government, fully supported as I say, by the Government of this State. Of course, as the Treasurer said, this subsidy applies to residential premises and also to hospitals, nursing homes and other non-profit institutions.

I would like to digress a little to make a comparison between the use of LPG and the Government's policy on electricity tariffs. Before the reorganisation of the electricity industry from July 1977, some institutions in this State, namely, churches and other non-profit institutions such as are referred to in the Bill, including kindergartens, paid a certain tariff, but since the Government changed the structure of the industry we have seen these institutions having to pay huge increases in their electricity accounts. They were switched onto the general tariff block and have had to pay substantial increases.

These institutions are screaming for some help, but do they get any relief? No, they do not! The Treasurer said that this legislation is required only by virtue of this Government's having to pass the money on from the Federal Government. Fair enough; but here is the opportunity for this Government to do something in the field of electricity tariffs for the institutions we are discussing here.

The Treasurer went on to say—

"No subsidy is payable on gas used for commercial or automotive purposes. (Reasons for these exclusions are somewhat obscure.)"

On the one hand, the Federal Governments wants to do something about the conservation of our liquid fuel supplies, while on the other it turns round and excludes motorists who have seen fit to convert their vehicles to LPG use—I might add at considerable

expense, in the area of \$800 to \$1,000—at the suggestion of the Federal Government. These people will not benefit from this legislation.

Mr Blake: It makes you doubt their sincerity.

Mr VAUGHAN: I certainly doubt their sincerity.

The Treasurer went on to say—

"The provisions of the Bill are very much on the same lines as those of the petrol subsidy scheme."

I want to make a few comments about the petrol subsidy scheme. If this legislation is as successful as the petrol subsidy scheme, it will be a flop—a complete failure! The petrol subsidy scheme was initiated by the Federal Government but had to be applied by the State Government in a manner similar to the application of the scheme we are now discussing. The motorist in country areas now has to pay 11c a litre more for petrol than is paid by his city counterpart, yet the whole purpose of the petrol subsidy scheme was to ensure that the price of petrol in country areas was not a great deal higher than the price in the city area. In fact, the purpose of the scheme was to make sure that country petrol users paid no more than 0.44c a litre more for their petrol than did consumers in the city.

Of course, the argument is advanced by the oil companies, and also by the Government, that while the subsidy is paid to the oil companies there is in fact no control over the retail margin that they impose in country areas. That may be the case, but I submit that the oil companies are profiting from the petrol subsidy scheme and I believe there is every possibility that the distributors of LPG could profit in the same manner under this particular scheme.

In answer to a question asked by the honourable member for Rockhampton on 21 August, the Treasurer indicated the extent to which funds are received by the State Government under the petrol subsidy scheme in a similar manner to which they will be received under this particular scheme and then paid to the oil companies. In 1978-79 the State Government received \$14.7m and in 1979-80 it received \$28.6m. But this subsidy is not being reflected in the actual price paid by the consumer. As I said, we have a situation where the price in Brisbane is around 35c a litre officially—one can get it for much less from discount service stations—but the price in the country is substantially higher; up to 11c a litre more. That should not happen. I believe there is every possibility that this scheme will be as big a failure as the other scheme in keeping the price down.

When introducing the Bill, the Treasurer referred to the role of the State. He said—

"The State's role is purely that of agent for the Commonwealth. The Commonwealth Government has formulated the

scheme, has the responsibility for registering the distributors for purposes of the scheme, and Commonwealth Government officers, appointed by the State Minister, carry out all the checking of claims, inspection of premises and general policing of the provisions of both the Commonwealth's and the State's legislation. Once the legislation is passed, the State Government and its officers are involved to no greater extent than arranging for the appointment of Commonwealth officers as 'authorised officers' in terms of the Act, sending out cheques as authorised by the Commonwealth officers, and claiming funds from the Commonwealth to meet these payments."

It appears to me that the whole scheme will be very cumbersome. The Government will be relying on the distributors to adopt regular accounting procedures. It will require the policing of the returns that are submitted to the Government so that it can reimburse the distributors. As I say, it appears to me that the whole scheme will be cumbersome and could very well cost more than it is worth.

Some questions arise in my mind as to how this scheme will operate. Will the distributor pay a price for LPG, which is reduced by virtue of the subsidy? The way in which I understand the scheme will operate is that a distributor will sell LPG to a customer. He then will have to record the amount of LPG the customer buys. The customer will pay the full price for the LPG. Then the distributor will claim a rebate from the State Government, which has been passed on to it by the Commonwealth. The State Government will then pay the money to the distributor, who will then rebate the consumer. If that is the way in which the scheme is to work, it will be extremely complicated. Quite frankly, I understand that many distributors are reluctant to embark on such a complicated scheme.

The subsidy will be \$80 per tonne. In many areas the price of LPG is based on a price per litre. I believe that more detail should be given to this Parliament. Perhaps more detail has been given to the Federal Parliament; I do not know. It appears to me that the Government has plucked the scheme out of the air in order to try to save itself from the criticism that has been directed at it because of its import parity pricing policy.

I shall move on to some facts about LPG. As I understand it, the scheme will be of benefit, and rightly so, to people in isolated areas who rely on LPG. As I said at the outset, I do not believe that those people should be required to pay such high prices for LPG because of the Federal Government's import parity pricing policy. I understand that about 450 000 tonnes of LPG are used each year. The subsidy will apply to that quantity of LPG production. I understand that production from Bass Strait is

about 1.6m tonnes per year. There are also about 400 000 tonnes of refinery products a year. Total production is around 2m tonnes.

As I understand the position, there was no need for the Federal Government to embark upon an application to have the import parity pricing policy applied to LPG, because we have plenty of it. It is not as though we have to conserve LPG in the same way as we have to conserve our oil. I do not agree with the import parity pricing policy because, from the way in which it is being applied, it is only a tax on motorists. It is a severe burden on the motorists of this State and nation and it is pushing up inflation.

Dr Edwards: What would you do to encourage oil exploration in the light of overseas prices?

Mr VAUGHAN: I ask the Treasurer what the Federal Government is doing in respect of conservation of our liquid fuel supplies. What is it doing about encouraging exploration? The fact is that the oil companies are not spending the windfall profits that they have received as a result of import parity pricing. If they were spending that money on exploration I would say that the policy is successful, but that is not happening. The oil companies are pocketing the money and laughing all the way to the bank. The same goes for the Federal Government.

Dr Edwards: You have not answered my question.

Mr VAUGHAN: I do not intend to answer it at this particular time.

Let us look at what happened to LPG prices. I appreciate that my colleague the member for Brisbane Central has already touched on this topic. In May 1979 the Melbourne price of automotive LPG was 12c a litre. We will see what the application of import parity pricing has done to this important product. At that time super petrol was about 24.5c a litre, which was about twice the price of automotive LPG. The price of LPG per tonne was \$110 at the refinery gate. The export parity price of LPG was then \$116.40 a tonne. What happened after that? Because of the ready availability of LPG, in June 1979 the Federal Government, as I mentioned earlier, set out to try to encourage its use by motorists by dropping the 2.125c a litre sales tax on LPG, provided the consumer benefited by the removal of that tax. That was an admirable gesture. But, of course, the consumer did not benefit and we will see what happened.

The whole idea was to conserve Australia's liquid fuel supplies by encouraging people to use LPG in their vehicles instead of petroleum. As soon as the Federal Government moved in June 1979, in July 1979 Caltex and Ampol applied to the PJT for a 50 per cent increase in LPG prices. They could see a real bonanza and an opportunity to increase their already inflated windfall profits

by virtue of import parity pricing. They asked for an increase of \$54 a tonne—from approximately \$124 to \$178. At that time the world price of LPG was \$145 a tonne. That illustrates the greed that motivates the oil companies.

By January 1980 the price of LPG had increased to \$252 a tonne. Of course, that was increased by the Prices Justification Tribunal. One of the reasons why the Federal Government has had to move now to prevent a strong reaction against the use of LPG is the greed of the oil companies who caused import parity pricing to be applied to liquid petroleum gas.

I have kept a few records in respect of the attitude that has been expressed from time to time by various people. An article that appeared in "The Courier-Mail" of 10 April 1980 is indicative of the attitude of people who are involved with oil companies. The heading of the article was "LPG subsidy plan criticised by BHP chief". The article continued—

"BHP criticised yesterday the Federal Government's policy of subsidising liquid petroleum gas. The company's chief general manager, Mr Brian Loton, said BHP believed import parity prices should apply to all petroleum products."

Of course, why wouldn't they believe that? That means even bigger profits for oil companies. The article continued—

"Mr. Loton said: 'Subsidising consumption is promoting the use of a material which is scarce and also a valuable commodity.'"

He says it is scarce! We supposedly have reserves of 80 million tonnes. Our annual consumption is 2 million tonnes, yet it is supposed to be a scarce commodity. Mr Loton finished up by saying that without the scheme country consumers would have to pay considerably more because of high transport costs. Country consumers at present are supposed to have a subsidy on their petrol, but they are paying far higher prices for it than they should have to.

A decision was taken by the Federal Government to order the Prices Justification Tribunal to follow its LPG policy. A Press article on 12 April 1980 said—

"On Tuesday, the National Development and Energy Minister, Senator Carrick, announced a \$205 a tonne maximum price for naturally occurring and ex-refinery LPG.

"In January the tribunal increased the LPG price to \$252 a tonne."

Of course the Federal Government has had to move in. It is embarrassed by its import parity pricing, fully supported by the Government of this State. An article in "The

Courier-Mail" on Monday, 7 July, headlined "\$20 mil. hardship subsidy for LPG" stated—

"The Federal government would subsidise liquid petroleum gas and reticulated gas produced from LPG by \$20 million a year

"The subsidy will be paid to registered distributors of the gas at the rate of \$80 per tonne."

That announcement pre-empted the legislation we have before us today.

In conclusion, I say in no uncertain terms that we should not have to be introducing legislation such as this. I do not believe that the import parity pricing policy of the Federal Government and this State Government should be applied to liquid petroleum gas. The consumers of LPG have been ripped off and will continue to be ripped off. I have grave doubts about the success of the scheme, particularly if it is applied with the same lack of success as the petrol subsidy scheme. It is time that the import parity pricing policy of the Federal Government, which is supported by the State Government, was seriously looked at.

Mr BLAKE (Bundaberg) (4.37 p.m.): I do not enter the debate to oppose the principle of the Bill. Rather do I agree with the Opposition's spokesman (Mr Wright) when he says that there are grave doubts about the adequacy of the penalty provisions to prevent the industry, if I may use the term, rorting the subsidy scheme to its own advantage.

As an example, of course, one could point to the petrol subsidy scheme. It appears to me that this scheme varies very little, if at all, in its application from the petrol distribution subsidy scheme, which we know was designed so that people in remote areas would pay no more than 44c per litre more than users at ports of entry; yet we all know that the difference in prices charged by dealers in different areas vary by up to 11c. It does not matter where one looks for recompense or application of the subsidy scheme. The buck is passed from State to Federal organisations. This Bill provides that, although this is a Commonwealth scheme, Ministers appointed by the State will administer it. I cannot see anything different happening under the LPG subsidy distribution scheme than has already happened under the petroleum distribution scheme—and that has been an absolute failure.

One has to be forgiven for suspecting that the Government tends to direct people into alternative fuels on the pretence that it does not want this nation to be dependent for its energy sources on imported fuel. However, as we saw with LPG, the Government became a tax beneficiary of its own promotion. Following promotions to convert vehicles to LPG, the price of LPG was raised to such a level that people were

discouraged from using it as an alternative fuel. In other words, one might suspect that the Federal Government is not genuine in its alleged desire to get people to use alternative sources of fuel. What it is interested in is directing people into the use of alternative fuels and then capitalising on the fact that it introduced legislation to stop them escaping from the cost of alternative fuels. In other words, it will impose levies that will bring into the Government revenue equivalent to that obtained from crude-oil type of fuels.

I hope that the Bill is implemented in such a way as to ensure that the subsidy for LPG goes to the consumers and is not merely a repetition of the misdirection of the .44c per litre on petrol, which at present is not operative and results in an added cost at the bowser, in some country areas of at least 11c a litre.

If the Bill is implemented in such a way as to ensure that the subsidy benefit goes to the consumers, the Bill will accomplish what it sets out to do, and perhaps it will stop exploitation by the petrol industry of people in remote areas.

Hon. L. R. EDWARDS (Ipswich—Deputy Premier and Treasurer) (4.42 p.m.), in reply: I thank honourable members for their contribution to the debate. At the outset, I repeat that this is not a Government policy Bill but a Bill to provide statutory authority for the payment of a subsidy that has been formulated by the Commonwealth under its legislation and funded by the Commonwealth. It is a scheme by which the subsidy can be paid to the State and ultimately to the people who receive the subsidy. This is a reciprocal Bill; it is being implemented in all States to allow this to occur.

The honourable member for Rockhampton indicated the problem that concerns him about the passing on of the subsidy in full. I think that anybody who understands subsidy schemes and reads the Bill will share his concern. I do not disagree with him. I am quite happy to take up with the Commonwealth the size of the penalties in the light of the concern that has been expressed by some members today. As the honourable member indicated, the Bill is a Commonwealth one. Nevertheless, I am happy to express to the Commonwealth the concern of this Parliament regarding the adequacy of penalties.

Mr Wright: You would accept that because of the money involved there needs to be a substantial deterrent?

Dr EDWARDS: I do not deny that. I share the honourable member's view regarding the need for adequate penalties to make sure that any abuse or misuse of the system can be lessened as much as possible. It is not possible to eliminate all kinds of problems in this area, but I am happy to take this up with the Commonwealth to see if there is any way in which such a step could be undertaken.

The member for Brisbane Central made a very interesting political speech, and I am sure he is very proud of his efforts. Again he echoed the ALP's alleged opposition to the world oil parity pricing system. It is very interesting to note that the member Nudgee refused, as he does on every occasion, to indicate an alternative to such a policy. I am glad that his refusal is contained in the records of this Parliament. According to Mr Keating's remarks, on a number of occasions the ALP has agreed that there must be equity in the cost of oil.

It was disappointing that when the alleged Opposition spokesman on Mines and Energy was asked the question he refused point blank to make available to the people of Queensland the alternative view held by the Labor Party. I make it perfectly clear that the ALP has no alternative. The Government of Queensland has made its position very clear. We accept that the world oil parity pricing system has caused enormous problems for the Australian community, but we have no alternative. Our criticism of the Federal Government's policy lies in our belief that the money should be used in other ways, such as the financing of roads and other things that will benefit the State.

The honourable member for Wavell referred to the price of gas in his electorate. He drew this matter to my attention a few days ago and asked a question about it in the House this morning.

I thank honourable members for their contribution and again reiterate that this is the method by which the subsidy will be paid and that we are implementing the Commonwealth Government's proposals.

Motion (Dr Edwards) agreed to.

COMMITTEE

Mr Millier (Ithaca) in the chair

Clauses 1 to 20, as read, agreed to.

Bill reported, without amendment.

THIRD READING

Bill, on motion of Dr Edwards, by leave, read a third time.

LAND TAX ACT AMENDMENT BILL

SECOND READING—RESUMPTION OF DEBATE

Debate resumed from 16 September (see (p. 517) on Dr Edwards's motion—

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

Mr WRIGHT (Rockhampton) (4.48 p.m.): In introducing the Bill to the Assembly the Treasurer made the point that it was a machinery matter arising from the Financial Statement that he presented here some time ago. The Bill proposes total exemption from the payment of land tax by a property or land-owner where the land in question is

being used for grazing, agriculture or dairying purposes, with the proviso that he is in residence. The present statutory exemption is \$108,000. It applies to land owned other than by an absentee or a company. There is now to be a total exemption, while still keeping in mind the restriction on the absentee and the company.

The new proposal will no longer require that the land be used—and emphasis should be placed on the word “used”—by the owner personally. It will include circumstances in which a resident owner does not work the land personally; it can be worked by some other person provided it is used for agriculture, dairying or grazing. As I said, the restriction on absentees and companies still applies. I accept that there will be a benefit for primary producers who do not operate on a corporate basis.

The Minister did make the point that some 920 producers will be involved. I personally, and I am sure many honourable members, have held that land tax is an unfair tax on primary producers. For that reason there has been general consensus that we should gradually remove land tax in this State. That has been taking place over a period.

There ought to be encouragements and incentives to develop the land resources of the State. But whilst we acknowledge that the imposition of land tax is almost iniquitous in some instances, we should ensure that any change should include this livelihood factor, a residential and usage factor. We will do that in part by maintaining that the owner is still to be resident.

The Bill still requires that the land be used and worked. But no longer will it be a requirement that the use of that land provide the livelihood of the owner. This seems to be quite a change because we now have the principle of the resident owner working the land being eroded. It will open the way for a resident owner to get exemption not by working the land himself but by implementing a system of share-farming. I acknowledge that the land would still be worked and the residential requirement would still be adhered to, but the financial benefit of exemption from land tax would not go to the actual primary producer, the person using his hands, skills or capacities to produce from that land—that is the share-farmer—but to the non-working resident owner.

I acknowledge, too, that it still might encourage greater use of land because we could end up with more people on the land. We could have more share-farming units throughout the State. But I wonder if the implementation of a share-farming system would be wrongly motivated so that, instead of the ultimate aim being to achieve greater productivity and greater usage of the land resource of the State, it would be to simply gain the tax rebate and such resident, but non-working, owners would implement a multiplicity of share-farming units.

We are not dealing with peanuts here. The proposal will cost the State of Queensland, and therefore the people of Queensland, \$3.7m for the remainder of this financial year and \$8.5m in a full year. The Assembly has a responsibility when removing such taxes and introducing such exemptions to ensure that there is a guaranteed return to the State, that we still have greater productivity and that there is increased rural employment. That could result from this scheme if it is implemented properly. There ought to be and should be an expanded use of land. We should promote the family farmer. I believe that like the small businessman he is the real base of production and the economic development of our country. Again we should retain the deterrent to the absentee owner and the company.

I repeat that the concept could prove worth while. I acknowledge that. I have considered all the aspects. Those resident owners who do not have the physical capacity, even the time capacity, to use their land properly may still get a benefit by involving share-farmers on their land. But the scheme can be open to abuse.

I believe it will be supported by the Opposition and by members in general. But it will need to be watched because it is open to abuse and it might have to be reviewed. We support the concept in principle. We support the gradual eroding of the burden of land tax on the primary producer. But we ask that we ensure that the State gets some return, that the factors I have mentioned—greater productivity and increased rural development and employment—are the result of the scheme. While the Deputy Premier and Treasurer cannot personally give any guarantee, he has a responsibility because it comes within his portfolio to review and to watch over this scheme.

Hon. L. R. EDWARDS (Ipswich—Deputy Premier and Treasurer) (4.55 p.m.), in reply: I thank the honourable member for Rockhampton for his comments. I should like to correct one statement that he made, I think by mistake rather than intentionally. He said that the exemptions would cost \$8m for a full year. That amount is for both the pay-roll tax exemptions and the land tax exemptions. I think the exact figure for the land tax exemptions is about \$500,000. That is what it will mean to the Government in a full year. I think the figure for the remaining part of the year will be \$3m, but I think if we look at the Budget papers we will see that the \$8m applies to both the pay-roll tax exemptions that we are allowing this year and land tax.

The honourable member mentioned the matter of productivity, and I share his view on this subject. If this measure assists in increasing productivity, we will certainly be delighted, but it is really part of the Government's plan to reduce taxation in this State over a long period. We have been successful in doing that over the past few years with the exemptions from probate duty, gift duty,

road maintenance tax, new exemptions from stamp duty, further exemptions from pay-roll tax and now further exemptions from land tax.

The honourable member for Rockhampton obviously supports that principle, and I thank him for his comments.

Motion (Dr Edwards) agreed to.

COMMITTEE

Mr Miller (Ithaca) in the chair

Clauses 1 to 3, as read, agreed to.

Bill reported, without amendment.

THIRD READING

Bill, on motion of Dr Edwards, by leave, read a third time.

PAY-ROLL TAX ACT AMENDMENT BILL (NO. 2)

SECOND READING—RESUMPTION OF DEBATE

Debate resumed from 16 September (see p. 516) on Dr Edwards's motion—

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

Mr WRIGHT (Rockhampton) (4.58 p.m.): As with the Land Tax Act Amendment Bill, the proposal now is that pay-roll tax exemptions be increased from \$150,000 to \$180,000. This was also announced in the Treasurer's Financial Statement, and I apologise for making an incorrect assertion as to the total. On page 8 of the Financial Statement it simply says—

"These two concessions will cost a total of \$3.7 million . . ."

That statement appears directly under the heading "Land Tax", so one could not be blamed for making such a mistake. But the fact is that both these points were raised in the Budget.

I note that there will be an increase in the exemption from \$150,000 to \$180,000. There will also be an increase in the minimum exemption from \$30,000 to \$36,000, which will apply to employers with an annual pay-roll in excess of \$237,600, and a gradual exemption for employers with pay-rolls in excess of that amount.

I have also considered the reason why pay-roll tax was introduced. I suppose it involves the principle that the State ought to benefit from the profits and general productivity of industry that it assists in many other ways. In the primary industry area, the Government assists by way of experimentation within the Department of Primary Industries. This happens in industry, too, with the commercial sectors now found in Government. But I feel that pay-roll tax has always been an unfortunate tax. It has been a deterrent to those we really want to assist.

Dr Edwards: An iniquitous tax.

Mr WRIGHT: I will accept the word used by the Treasurer; it is an iniquitous tax. I think that the main advantage to be gained from any further exemptions will flow to small business. I have been an advocate for small business for some time, and, whilst I have been criticised for it, I make no apologies. It is not an ideological conflict; it is something that I have acknowledged because of the important part that small businesses play in our economy. In fact, small businesses are a vital sector of our economy, both State and national. I took out some statistics and found that there were 372 000 small businesses in Australia at the end of 1977 and that 96 per cent of all business enterprises could be classified within this group. At that point of time they were employing 1.6 million people, or 40 per cent of the total work-force. One of the studies that were carried out found that small businesses employ 50 per cent of the factory work-force and 65 per cent of the retail work-force. It also found that 40 per cent of factory value production and 75 per cent of total retail turnover came from the small business sector. So one starts to realise that the small business groups play a major part in the economy of this nation.

I think there is an advantage also in promoting small businessmen, be it by pay-roll tax exemptions or by other measures. Small businesses help to spread economic power. This gives the small man a say in the economic development of the nation. It also naturally spreads the risk, the responsibility and the ownership of the wealth of this country. From a consumer's point of view, it allows for more effective competition, and a most important aspect is that it is a major force in job creation. It is understandable that the small business sector is more labour-intensive than big business. Small businesses use less energy and are more decentralised. So, in a State like Queensland, we benefit tremendously when we assist our small business groups. The money and the profits tend to remain in the local community. The money is locally invested or reinvested. One thing that pleases me most with small businesses is that they are locally Australian-owned.

It is because of one of the factors that I have mentioned, that of job creation, that this Parliament ought to always support any measure that will improve the lot of the small businessman, especially when it comes to exemption from pay-roll tax. Because of the unemployment situation and the financial failure that confronts the small business sector, it is essential that we constantly be cognisant of the problems that face small businesses financially in management areas and in the competitive areas as well.

I have repeated many times, and I do so again, that it was the Minister for Industry and Administrative Services (Mr Lee) who announced here some 12 months ago that 75 per cent of small businesses in Queensland

did not last more than three years. In order to see if that compared with the position in the other States, I took out some figures and came up with a 1975 study, which showed that that is pretty well the position in the other States as well. In Victoria and also in Western Australia it was found that almost 70 per cent of businesses failed within five years: 27.61 per cent in the first year, 13.8 per cent in the second year, 11.3 per cent in the third year, 10.1 per cent in the fourth year, and 6.4 per cent in the fifth year. Small businesses can get stronger, but they face problems in the initial stages.

The problems confronting small businesses were highlighted in a recent report that was presented to a Federal Parliament Estimates committee. I noticed a report also in "The Australian Financial Review" in which Chris Hurford made some rather interesting observations about the bankruptcy problems confronting business in Australia today. In 1979-80, the number of bankruptcies rose to 4,979, an increase of 162 per cent on the 1976-76 figures. I state this in a political vein because so often we hear about what Gough Whitlam or the Labor Party did in Canberra when it came to the matter of businesses. But if we start pulling out the facts—and these are the facts, because it is an official document that was presented to an Estimates committee of the Federal Parliament—we find that in the last four to five years, business in Australia has been at the mercy of the Fraser Government. As I said, there has been a 162 per cent increase in the number of bankruptcies on the 1975-76 figures.

Before Whitlam came to power in 1972, the number of bankruptcies in 1971-72 under the Liberal Government was 2 684. In 1973-74, under Labor, the number dropped to 1 637. But in 1976-77, again under the Liberals, it rose to 2 196. In 1977-78 it rose by 43 per cent, and last year by another 29 per cent. So if ever we start to look at destructive policies, we should take a good, hard look at what the Fraser Government has done to business in this nation and in this State.

Because of the negative approach that is being taken on a Federal level, and in view of the economic circumstances that prevail, it is important that this State does something extra to overcome some of the problems. One of the ways to do that is to phase out pay-roll tax and, in doing so, remove a large financial burden. Another important factor is that it reverses the disemployment effect of the tax, because that is what it has had.

We say that a State has a right to some share of the profits and the advantages that businesses gain, but by placing a pay-roll tax—a specific tax—on moneys paid to the employees, it creates a deterrent against employing more people. So the Opposition accepts the phasing-out of pay-roll tax but it believes we need to go further. An Opposition should not just offer constructive criticism; it should present alternatives

so that the Legislature itself can consider such ideas and also that the bureaucracy and the community generally can consider them.

As well as gradually lessening the financial burden of pay-roll tax, the Opposition believes that incentives need to be given. It is for this reason that the Australian Labor Party has proposed a separate pay-roll tax policy, one that was put forward long before the Treasurer introduced his Budget. The Labor proposal is to implement a country industries assistance scheme based not on exemptions but on pay-roll tax rebates. The objective is to provide incentives for job-creating manufacturing industries in provincial cities and country areas, where unemployment is extremely high. The proposal divides the State into three areas. The first is the metropolitan area which takes in the 25 km area north of Nambour and west to the foot of the Toowoomba ranges. In that area there would be no rebate. For areas within a 25 km radius of Toowoomba, Gympie, Maryborough, Bundaberg, Gladstone, Rockhampton, Mackay, Townsville and Cairns—

Dr Edwards: No rebate at all?

Mr WRIGHT: No. I will explain that in a minute.

In those areas there would be a 50 per cent rebate. For areas outside the two divisions that I have mentioned, there would be a 100 per cent rebate. I need to point out quickly that this is in addition to the exemptions that have already been accepted in the past and are being proposed here.

Dr Edwards: What will the cost be?

Mr WRIGHT: I am glad the Treasurer raised that point because there is no cost factor on the State as we are dealing with new industry. That is a very valid point, as I will explain. The benefit is conditional. It is not simply a matter of giving tax rebates to every industry; the scheme applies to new manufacturing and processing industries in these areas outside the no-rebate metropolitan division that proceed with the next stage of manufacture of naturally occurring local products. What this proposal tries to do is to establish a second stage of production.

To give a few examples—for instance, it would not apply to abattoirs, but it would apply to companies establishing a canning or meat-processing industry for bacon, ham or smallgoods. Such a factory would receive a rebate. Tanneries for leather goods would also qualify. Dairy factories that expanded into the production of ice cream or frozen confectionery products would also be eligible. Mills producing raw sugar would not, but refineries or confectionery manufacturers would. Just by using those quick examples I hope honourable members will appreciate that the proposal does not create a cost burden on the State; it encourages new industry by giving a new incentive. As it

would be applying strictly and specifically to these new industries, it would be cost free to the State.

I do not think the benefits need to be canvassed too much, except to say that additional employment would be created. It would give a great boost to local economies and, in turn, because of the flow-on factor of any type of industry established in a region, there would be growth of ancillary industries. The proposition I have put forward in no way affects the proposal contained in the Bill before us this evening. It would certainly not encroach upon the exemptions already in force in Queensland.

There is another point, too. The companies would normally pay their pay-roll tax but would receive an annual rebate following a claim. It might be said that one ought to back up such a proposal with some proof of ability to actually put such a scheme into effect. The member for Maryborough (Brendan Hansen) took the time to travel to New South Wales in his capacity as a shadow Minister and spoke with representatives in that State. I am very pleased to associate myself with the scheme that he himself has proposed. He was able to bring back to me a very detailed submission proving that such a scheme would work. I would like to thank him in this Assembly for the extra effort that he has made.

So often members come up with ideas—they propose all sorts of alternatives—but they do not provide a lot of back-up. I do not suggest that that occurs regularly in this Assembly, but it happens sometimes. Too often we come up with an alternative but we are unable to substantiate its value. This proposal has certainly been substantiated. In 1979-80, \$8m was returned to various country-based industries under this scheme, which has been operating for only two years. It has not only improved employment opportunities in decentralised areas but has also created new jobs and given greater job security in the various areas of New South Wales in which it operates. It is a rebate scheme for those new industries that are prepared to go to a second stage. The incentive is there. Admittedly it discriminates in a way. It discriminates against the metropolitan area. However, I am sure that most Queenslanders would appreciate the need to expand the decentralised characteristic of Queensland. We need to improve on what we have got, to build our populations.

There is strength in that idea. The cost of servicing a local government area with a population of fewer than 20 000 is extremely high. In fact, it is something like twice the cost of servicing an area with 100 000 people. Our ultimate aim ought to be to establish growth areas throughout the State, whether it be Rockhampton, Townsville, Gladstone, Emerald or Mt Isa. Wherever it might be, we ought to have an incentive. We have talked about departments of decentralisation. Maybe that will come. It is certainly our policy. We have spoken about special types

of freight rates. That does not always work, because we find that the metropolitan area gains a special benefit. Brisbane does not need help in this way, but certainly places outside Nambour—places like Bundaberg and Maryborough—do.

So the Opposition has put forward what I think is a constructive and positive proposal that ought to be looked at by this Government. It certainly would be implemented by a Labor Government. It is of special benefit to Queensland because of our decentralised structure. It is of special benefit to the small businessman. It is an incentive to improve and to expand. Therefore, the policy is certainly worth while accepting.

Mr HANSEN (Maryborough) (5.13 p.m.): I join with the honourable member for Rockhampton in supporting the proposal he has put forward on behalf of the Australian Labor Party. Everyone would like to drop taxation, but I have much sympathy for the Treasurer. Services have to be provided and, if he did not have taxation, he would have to scratch around somewhere to raise the money.

Last year the Government received \$23m more than the estimate for pay-roll tax. While this year's exemption gives further relief from pay-roll tax, it is estimated that the State will receive \$52m more than last year's estimate. If we were to abolish pay-roll tax altogether, we would be left in a sorry state. I can well understand the Government's attitude towards phasing it out.

When I was speaking to the Estimates of the Department of Commercial and Industrial Development yesterday, I mentioned that we should be doing more through incentives for the establishment of industry outside the south-eastern corner, with all its stresses of population and industrial growth. Even though that department was provided with \$100,000 for freight subsidies last year, only a small portion of it was taken advantage of.

It is obvious that some method of giving added incentives to industries to decentralise is needed. "Decentralisation" is a word that is used a great deal, particularly at election-time. Nevertheless, we see a positive way of achieving decentralisation by discriminating, might I say, against developed and over-developed areas. In a similar way, the New South Wales Government discriminated against the Illawarra, Hunter and Sydney areas by granting tax rebates to industries outside those areas. It divided the State into two areas.

Our proposal is much the same. We would give no exemption from pay-roll tax within the area listed by the honourable member for Rockhampton, that is, the area north to Nambour, over the Toowoomba range and down to the border; we would give a 50 per cent rebate of pay-roll tax to industries in the provincial coastal areas and a 100 per cent rebate in other areas. We see such a proposal as a positive step towards achieving

decentralisation. We see it as a move towards inducing industries to go out into those areas and assisting them. Our proposal would apply to new industries, though not to resource-based industries. It would apply to the secondary stage of manufacture.

Our scheme would provide another form of assistance in that there would not be the drift of population to the city, which results in the imposition of added burdens on the city, such as the need to provide additional freeways, construct additional bridges and provide the facilities for people to travel long distances to and from work. All that adds to costs.

Pay-roll tax can be used to discriminate in favour of country-based industries. The Labor Party is looking at pay-roll tax exemption as a means of encouraging employers to take on a greater number of junior apprentices and cadet employees. We are considering granting an exemption from pay-roll tax in relation to youth employment.

I know that the Commonwealth Government has schemes to encourage employers to employ more young people. Such a scheme can be implemented either by means of an exemption or a rebate. I can say that that system has worked in New South Wales. It is working to some extent in Victoria, where a rebate is given. If the Treasurer looked at what is happening in those States in which incentives are given, he could not go far wrong.

I have much pleasure in supporting the honourable member for Rockhampton in putting forward the Australian Labor Party's proposal. As I said, taxation is inevitable. It is the measure of taxation in which we are most interested.

Hon. L. R. EDWARDS (Ipswich—Deputy Premier and Treasurer) (5.18 p.m.), in reply: I want to comment on the matters raised by the honourable member for Rockhampton and the honourable member for Maryborough. As I indicated by way of interjection, I regard pay-roll tax as an iniquitous tax. However, as the honourable member for Maryborough conceded, the removal of pay-roll tax from the State of Queensland would mean the removal of something like \$300m from our revenue. If I recall correctly, the figure in New South Wales is something like \$900m and in South Australia the figure is similar.

We have to adopt a responsible approach to pay-roll tax. It is all very well to suggest that we should abolish it. All of us would like to do that. However, the removal of something like 12 per cent of the State's total revenue would create enormous problems for a State Treasurer and Government. I appreciate the accountable way in which members of the Opposition have recognised the problem.

I might add that when this matter was discussed at the recent Premiers Conference in Adelaide, tremendous praise was given

to the Queensland Government for leading the way in the levels of exemption. In fact, the Deputy Premier of New South Wales, Mr Ferguson, indicated quite clearly that he could not understand how the Queensland Government could reach an exemption level of this magnitude. At this stage our level of exemption is double that of any other Australian State. It was recognised at that meeting that our exemption is the highest in Australia. Our policy is to give further exemption, as we have done each year. We will continue to review our policy.

I will not comment at this stage on ALP policy, little of which has been disclosed to us today. I know that businessmen in New South Wales have complained a great deal about some of the problems confronting established industries, which are suffering as a result of other companies coming next door and being able to receive benefits. This has happened in Wollongong and Newcastle. Businesses there are already decentralised and they are suffering because they are disadvantaged in this way.

Mr Fouras: Because we have fewer manufacturing industries here, you are giving away less with the rebates.

Dr EDWARDS: That is absolute rubbish. As usual, the honourable member is not in his right place. However, I am quite happy to accept such an inane interjection. It is not true to say that there is a decrease in manufacturing industry in this State. That is a most inaccurate statement. The Queensland Government's decentralised industrial estate policy was debated yesterday. It indicates the enormous response by industry in Queensland, especially in the manufacturing area. Huge manufacturing industries have developed at the Wacol Industrial Estate. It is inaccurate to suggest that manufacturing industry is lacking in Queensland.

I commend the Bill to the House and assure Parliament and the people of Queensland that the Government will continue to provide exemptions as best it can in an accountable and responsible way in the confines of budgetary restraint.

Motion (Dr Edwards) agreed to.

COMMITTEE

Mr Kaus (Mansfield) in the chair

Clauses 1 to 7, as read, agreed to.

Bill reported, without amendment.

THIRD READING

Bill, on motion of Dr Edwards, by leave, read a third time.

The House adjourned at 5.25 p.m.