

Queensland



Parliamentary Debates
[Hansard]

Legislative Assembly

THURSDAY, 23 AUGUST 1984

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Mr SPEAKER (Hon. J. H. Warner, Toowoomba South) read prayers and took the chair at 11 a.m.

MINISTERIAL STATEMENT

Change in Ministry

Hon. Sir JOH BJELKE-PETERSEN (Barambah—Premier and Treasurer) (11.1 a.m.), by leave: I desire to inform the House that His Excellency the Governor on 31 July 1984—

- (a) accepted the resignation of the Honourable Geoffrey Hugh Muntz, AAIV, as Minister for Welfare Services and Ethnic Affairs of Queensland;
- (b) appointed the Honourable Geoffrey Hugh Muntz, AAIV, to be Minister for Welfare Services, Youth and Ethnic Affairs of Queensland.

I lay upon the table of the House a copy of the Queensland Government Gazette Extraordinary of 31 July 1984 containing the relevant notifications.

Whereupon the honourable gentleman laid the Queensland Government Gazette Extraordinary on the table.

PAPERS

The following papers were laid on the table, and ordered to be printed—

Reports—

- Public Accountants Registration Board of Queensland for the year ended 31 December 1983
- Queensland Manufacturing Advisory Committee for the years ended 30 June 1982 and 1983.

The following papers were laid on the table—

Orders in Council under—

- Wivenhoe Dam and Hydro-electric Works Act 1979
- Public Service Act 1922-1978
- Constitution Acts Amendment Act 1971-1984
- Financial Administration and Audit Act 1977-1981
- Stamp Act 1894-1984
- Meat Industry Act 1965-1983
- Electricity Act 1976-1982 and the Statutory Bodies Financial Arrangements Act 1982
- City of Brisbane Act 1924-1982 and the Statutory Bodies Financial Arrangements Act 1982
- City of Brisbane Act 1924-1984
- Racing and Betting Act 1980-1984
- Gateway Bridge Agreement Act 1980
- State Housing Act 1945-1983 and the Statutory Bodies Financial Arrangements Act 1982
- Explosives Act 1952-1981
- Mines Regulation Act 1964-1983
- Gas Act 1965-1981
- Electricity Act 1976-1982 and the Statutory Bodies Financial Arrangements Act 1982
- Industrial Development Act 1963-1981

Industrial Development Act 1963-1981 and the Statutory Bodies Financial Arrangements Act 1982

Retail Shop Leases Act 1984

Proclamation by His Excellency the Governor to the effect that Her Majesty the Queen has been pleased by Order in Council made on 11 April 1984 to declare her assent to the Bill intituled "A Bill to amend the Governor's Salary Act 1872-1975 in certain particulars"

Proclamations under—

Acquisition of Land Act 1967-1977 and the State Development and Public Works Organisation Act 1971-1981

City of Brisbane Act 1924-1984

Regulations under—

Public Service Act 1922-1978

Stamp Act 1894-1984

Golden Casket Art Union Act 1978-1984

Lotto Act 1981-1984

Land Tax Act 1915-1984

Gas Act 1965-1981

Electricity Act 1976-1982

Clean Waters Act 1971-1982

Local Government Act 1936-1984

Picture Theatres and Films Act 1946-1978

Building Act 1975-1984

Brisbane and Area Water Board Act 1979-1984

Racing and Betting Act 1980-1984

Main Roads Act 1920-1983

Rules under—

Lotto Act 1981-1984

Golden Casket Art Union Act 1978-1984

Ordinances under the City of Brisbane Act 1924-1984.

MINISTERIAL STATEMENTS

Legal Representation of Mr P. J. Walsh

Hon. N. J. HARPER (Auburn—Minister for Justice and Attorney-General) (11.7 a.m.), by leave: Yesterday the honourable member for Lytton made a personal explanation in relation to the recent trial in the Supreme Court of Peter James Walsh and the engagement by the Public Defender of Mr Sturgess to represent him. Legal aid was provided for Mr Walsh as a result of a normal application being considered by my officers, who concluded that he was without adequate means to provide a defence for himself.

Mr Burns interjected.

Mr HARPER: If the honourable member listens, he might change his attitude.

Under the provisions of the Public Defence Act 1974, the Public Defender is authorised to engage any solicitor or barrister whom he considers to be competent to act and who is prepared to do so on public defence rates.

Mr Burns interjected.

Mr HARPER: If the honourable member for Lytton pays attention to what is being explained to him, it might be more advantageous.

Messrs Gilshenan and Luton, solicitors, appeared for Walsh at his committal proceedings and continued acting for him until he was granted legal aid. Because the solicitors were conversant with the case, the Public Defender engaged them to prepare the matter on his behalf.

Mr Sturgess represented Walsh in the committal proceedings and was therefore familiar with the case also. He indicated that he was prepared to represent Walsh at the Supreme Court trial on basic public defence rates and, in fact, he was paid no more than any other barrister engaged——

Mr Burns interjected.

Mr SPEAKER: Order! There is far too much audible conversation in the Chamber.

Mr Burns interjected.

Mr SPEAKER: Order! I warn the member for Lytton. Whilst I am on my feet, he will keep quiet.

Mr HARPER: As I said, he indicated that he was prepared to represent Walsh at the Supreme Court trial on basic public defence rates and, in fact——

Mr Burns interjected.

Mr SPEAKER: I warn the member for Lytton.

Mr HARPER: In fact, he was paid no more than any other barrister engaged by the Public Defender to represent an accused person in the Supreme Court. In those circumstances I know of no reason why a barrister other than Mr Sturgess should have been engaged.

Contrary to the honourable member's claim in this Chamber yesterday, public defence was granted only for the Supreme Court trial. It did not cover the presence of Mr Sturgess and Mr Nolan at the police interview or the cost of the committal proceedings.

I consider the honourable member's comments about Walsh's receiving favoured treatment through the engagement of Mr Sturgess and provision of legal aid to be regrettable. Surely the member for Lytton does not believe that the provision of public defence should be based on one's forbears. Why should parentage be a consideration? Should a parent of modest means, who has paid taxes all of his working life and raised eight children, be treated in any way differently from any other citizen merely because he happens to be a solicitor?

Mr Burns interjected.

Mr SPEAKER: Order! I warn the member for Lytton under Standing Order No. 123A.

Mr HARPER: Mr Sturgess has been engaged by the Public Defender in the past. One important trial, which received extensive publicity, was that of Alwyn Peter, who was charged with murder. Alwyn Peter was a destitute Aborigine from the Mapoon Reserve.

I take exception also to the honourable member's remarks which imply that many persons granted public defence receive inferior legal representation. The Public Defender has a responsibility always to engage competent counsel. I believe that he does so to the best of his ability, and I invite the honourable member to produce evidence to me of any case in which the counsel engaged was incompetent.

Builders Registration Board

Hon. C. A. WHARTON (Burnett—Minister for Works and Housing) (11.11 a.m.), by leave: In recent weeks a number of comments have been made about the Builders Registration Board, with suggestions being made that it is not carrying out its job. The

board is providing a valuable service to home-buyers and has already provided protection for literally thousands of people throughout the State. Since 1978, for example, the board has spent \$3.5m in insurance payments to assist home-owners throughout Queensland. In addition to this, each year it is responsible for having at least \$2m worth of repair and rectification work carried out on new homes. This is done at no cost to the home-buyer or to the insurance scheme. Through the board's efforts, 244 people who have suffered problems because of the failure of builders to complete houses or because of the bankruptcy of builders have been assisted into their own homes. They would not be in their homes today had it not been for the board's assistance.

There is no doubt about the considerable benefit that has been afforded to home-owners in this State because of the board's activities. There have, however, been a small number of complaints alleging delays by the board in matters relating to the rectification or completion of some work. They do, in fact, constitute a very small percentage of the overall number of complaints handled annually by the board. Last financial year, for instance, the board dealt with more than 1 200 complaints from home-owners. By the end of that year, the board had, in fact, already rectified 70 per cent of those complaints.

I can assure the House that both the board and I are anxious that all complaints are speedily resolved, and the board is continually monitoring its system of operation to eliminate any delays that may occur.

Ministerial Responsibility; Allegation by Member for Ashgrove

Hon. R. J. HINZE (South Coast—Minister for Local Government, Main Roads and Racing) (11.13 a.m.), by leave: Yesterday in the Matters of Public Interest debate the honourable member for Ashgrove sought to make statements about family companies associated with my name. I refute that any conflict of interest arises in the portfolios that I hold, as alleged in the statements attributed to the honourable member yesterday. I watched his performance on "Nationwide" last night. It was so weak that not even Quentin Dempster could help him. That is what we have come to expect from the honourable member for Ashgrove.

The road that he referred to was built at a cost in excess of \$100,000 and paid for by the company, which had lodged an application in the normal way. The parcel of land purchased from the Railway Department could not have been used for any other purpose. The Valuer-General placed a figure on it and the company bought it at that valuation. The land could not possibly be used for a future rail line to the Gold Coast. It is on the western side of the highway, whereas the new rail line to the Gold Coast, which I believe my colleague the Minister for Transport will attempt to have built as quickly as possible, is proposed to be on the eastern side of the highway.

With regard to an application to the TAB for a licence—anybody who owns what he considers to be a suitable site can lodge such an application. In this case, the reply from the TAB was that at this time it did not believe that an agency was required in the area and that it would reconsider the application in 12 months' time.

The honourable member was a little astray when he mentioned the rezoning of land, in that at this time I know of no approval for the construction of any buildings. The Main Roads Department has no objection, and I do not think there is an objection from the Albert Shire Council. However, all these things will be attended to in a public, straightforward way, which honourable members have come to expect from a member and a Minister of my calibre.

Opposition Members interjected.

Mr HINZE: When the honourable member for Ashgrove has spent 33 years in public life, it will be interesting to see whether he can hold his head as high as I can.

Mount Isa Police Force

Hon. W. H. GLASSON (Gregory—Minister for Lands, Forestry and Police) (11.17 a.m.), by leave: Yesterday in the House, the Leader of the Opposition (Mr Wright) made a series of serious allegations involving the Mount Isa Police Force.

Mr SPEAKER: Order! The audible conversation on both sides of the House, particularly at the rear of the Chamber, must cease. If it does not cease, I will take appropriate action. Although the Minister is using his microphone, I can barely hear him.

Mr GLASSON: I advise the House that on Monday I asked the Acting Police Commissioner (Mr Syd Atkinson) for a report on allegations against the Mount Isa police. Until that report is received, I am not in a position to decide what action, if any, could be necessary.

Although Mr Atkinson has said the police have not received any official complaints, it is true that the Police Complaints Tribunal has received a total of seven complaints from Mount Isa residents. Of these, the tribunal has completed its investigation into one, on which it recommended that no action be taken. Of the remainder, three are currently under investigation, and the other three complaints involve issues yet to be determined by courts of law. The tribunal has resolved to await the courts' decisions on relevant facts before completing its investigations of these complaints. These matters may be pursued at the completion of those proceedings.

No complaint has been made to the Police Complaints Tribunal relative to the Mount Isa murder trial involving Kelvin Condren. There are two avenues open in this regard—to lodge an appeal to the Court of Criminal Appeal, and/or to make a formal complaint to the tribunal.

I point out to the Leader of the Opposition (Mr Wright), who has called for an independent inquiry headed by a judge, that in fact the Police Complaints Tribunal is such an independent body, headed by Judge E. C. Pratt, QC, of the District Courts, and having as its other members Redcliffe Stipendiary Magistrate, Mr P. J. Rodgers, and Queensland Police Union president, Senior Sergeant C. G. Chant.

I am concerned that if indeed the Leader of the Opposition has proof of the allegations he has raised, he has not already lodged a formal complaint with the tribunal, instead of attempting to make it a political point-scoring exercise at the cost of the good name of the Queensland Police Force.

Mr R. J. Gibbs interjected.

Mr SPEAKER: Order! I warn the member for Wolston.

SELECT COMMITTEE OF PRIVILEGES

Appointment of Members

Mr NEAL (Balonne): I move—

- “(1) That this House do appoint a Select Committee of Privileges.
- (2) That the Committee consist of Messrs Stoneman, Cooper, McPhie, Palaszczuk, Lickiss, Ms A. M. Warner and the mover.
- (3) That four members be a quorum at any meeting of the Committee.
- (4) That the Committee have and exercise such powers, duties and responsibilities as may, from time to time, generally or in any particular case, be determined by the House.
- (5) That, in the exercise of the aforesaid powers, duties and responsibilities, the Committee have authority and power to send for persons, papers and records unless otherwise determined by the House in any particular case save however that a Minister of the Crown or an officer of the Public Service shall not be obliged to provide information, oral or written, which has been—
 - (a) certified by a Crown Law Officer to be information which, if it were sought in a court, would be a proper matter in respect of which to claim Crown privilege; or

(b) certified by the responsible Minister, with the approval of the Ministers of the Crown in Cabinet assembled, to be information such that its disclosure would be against the public interest.

(6) That the Committee have leave to sit during any adjournment of the House notwithstanding that such adjournment exceeds seven days.

(7) That the Committee may sit during the sitting of the House.

(8) That the Committee, so far as is practicable and as it may do, function in a manner similar to that of a Committee of Privilege of the British House of Commons for the time being unless otherwise determined by the House in any particular case.

(9) That the Committee, in addition to sitting from time to time on or in relation to matters of privilege, may meet from time to time to discuss privilege generally, including acts or omissions constituting instances of breach of privilege, whether in Queensland or elsewhere and to inform itself with respect to privilege in such manner as it thinks fit, and, without limiting the generality of the foregoing, may invite from and discuss with such persons or bodies as it thinks fit, submissions and views on or in relation to matters of privilege.

(10) That the foregoing provisions of this motion, so far as they may be inconsistent with Standing Orders, have effect notwithstanding anything contained in the Standing Orders."

Motion agreed to.

COMMITTEE OF SUBORDINATE LEGISLATION

Appointment of Members

Mr SIMPSON (Coorooora): I move—

"(1) That this House do appoint a Committee to be called the Committee of Subordinate Legislation.

(2) That the Committee shall consist of seven members.

(3) That the Committee consist of Messrs Jennings, Alison, Stephan, Comben, Veivers, Gygar and the mover.

(4) That it shall be the duty of the Committee to consider all Regulations, Rules, By-laws, Ordinances, Orders in Council or Proclamations (hereinafter referred to as 'the Regulations') which under any Act are required to be laid on the Table of this House, and which are subject to disallowance by resolution.

If the Regulations are made whilst the House is sitting, the Committee shall consider the Regulations before the end of the period during which any motion for disallowance of those Regulations may be moved in the House.

If the Regulations are made whilst the House is not sitting the Committee shall consider the Regulations as soon as conveniently may be after the making thereof.

(5) The Committee shall, with respect to the Regulations, consider—

(a) whether the Regulations are in accord with the general objects of the Act pursuant to which they are made;

(b) whether the Regulations trespass unduly on rights previously established by law;

(c) whether the Regulations contain matter which in the opinion of the Committee should properly be dealt with in an Act of Parliament;

(d) whether for any special reason the form or purport of the Regulations call for elucidation;

(e) whether the Regulations unduly make rights dependent upon administrative and not upon judicial decisions.

(6) If the Committee is of the opinion that any of the Regulations ought to be disallowed—

(a) it shall report that opinion and the grounds thereof to the House before the end of the period during which any motion for disallowance of those Regulations may be moved in the House;

(b) if the House is not sitting, it may report its opinion and the grounds thereof to the authority by which the Regulations were made.

(7) If the Committee is of the opinion that any other matter relating to any of the Regulations should be brought to the notice of the House, it may report that opinion and matter to the House.

(8) A report of the Committee shall be presented to the House in writing by a member of the Committee nominated for that purpose by the Committee.

(9) The Permanent Head of the relevant Department shall forthwith upon any Regulation, which is required to be tabled in Parliament, being approved by the Governor in Council, forward sufficient copies to the Secretary of the Committee for the use of the members of the Committee.

(10) The Committee shall have power to send for persons, papers and records, provided that a Minister or members of the Public Service shall not be obliged to provide information, oral or written, which has been—

(a) certified by a Crown Law Officer to be information which, if it were sought in a Court, would be a proper matter in respect of which to claim Crown privilege; or

(b) certified by the responsible Minister, with the approval of the Ministers of the Crown in Cabinet assembled, to be against the public interest to disclose.

(11) The Committee shall have power to act and, subject to paragraph (10), to send for persons, papers and records and to examine witnesses whether the House is sitting or not.

(12) The proceedings of the Committee shall, except wherein otherwise ordered, be regulated by the Standing Orders and Rules of the Legislative Assembly relating to Select Committees.”

Motion agreed to.

PETITIONS

The Clerk announced the receipt of the following petitions—

Preservation of Stradbroke Island

From Sir Joh Bjelke-Petersen (868 signatories) praying that the Parliament of Queensland will take necessary action to preserve Stradbroke Island in its natural state.

Melaleuca Forest, Slade Point

From Mr Casey (2 874 signatories) praying that the Parliament of Queensland will approve that the area of Melaleuca Forest at Slade Point near Mackay be made an environmental park.

Trading Hours, Motor Vehicle Industry

From Mr Campbell (12 signatories) praying that the Parliament of Queensland will not allow an extension of trading hours in the motor vehicle industry.

Class-rooms, Balmoral High School

From Mr Burns (201 signatories) praying that the Parliament of Queensland will ensure that all class-rooms at the Balmoral State High School are immediately provided with adequate lighting systems.

Petrol Prices

From Mr Wright (376 signatories) praying that the Parliament of Queensland will investigate petrol prices in Queensland, and especially inquire into the transport of petrol to Dysart, Middelmount and Moranbah.

Air-conditioning, Kalkadoon High School

From Mr Price (700 signatories) praying that the Parliament of Queensland will immediately allocate funds and commence work on the installation of air-conditioning at Kalkadoon State High School.

Petitions received.

QUESTIONS WITHOUT NOTICE

Department of Commercial and Industrial Development Report on Queensland's Economy

Mr WRIGHT: In directing a question to the Deputy Premier and Minister Assisting the Treasurer, I refer to the recent report by the Department of Commercial and Industrial Development on Queensland's economic performance and future prospects. He described the report as utter hogwash. I refer also to his comment that the DCID had not consulted Treasury when it compiled the report. The Deputy Premier said, "They haven't got the latest Treasury figures, which show Queensland is doing very well." Will he now release the DCID report in question, as well as the latest Treasury information to which he referred, so that the people of Queensland can decide who is telling the truth about the condition of Queensland's economy?

Mr GUNN: I have great pleasure in informing the Chamber about the report. It did not come from a half-baked economist at the Kelvin Grove College of Advanced Education. I obtained my figures from the ABS report, and I shall refer to that report. As I have a great deal of material, I might take some time. However, I will go through it. The source of the material is the ABS report, "Payments to or for the States, the Northern Territory and Local Government Authorities." At page 163 the honourable member will find the public debt of each State. Queensland has the lowest public debt per capita of all States. The public debt per capita in New South Wales is \$998.80; in Victoria, \$1,007.40; in Queensland, \$897.60.

Mr WRIGHT: I rise to a point of order. The question I asked the Deputy Premier related to the DCID report and his own statement that he has a Treasury report. I realise that he wants to talk about the public debt; the Opposition is prepared to debate that later. I ask the Deputy Premier to answer the question.

Mr SPEAKER: Order! There is no point of order.

Mr GUNN: Mr Speaker, a member cannot ask a question and answer it, too. The Leader of the Opposition asked the question and I will answer it. I will get round to all those things and prove my point.

Mr Wright interjected.

Mr SPEAKER: I warn the Leader of the Opposition. As he has asked a question, he must listen to the answer.

Mr GUNN: I know that the Leader of the Opposition will not like what I have to say. However, these are the facts obtained from the ABS report. If the Leader of the Opposition reads page 163 of that report, he will find the facts. As he does not have the facts, I will inform him of them. I repeat that the per capita debt of New South Wales is \$998.80; in Victoria, \$1,007.40; in Queensland, which has the lowest amount, \$897.60; in South Australia, which has a socialist Government, \$1,524.80; and in Western Australia, \$1,142.20.

Mr Warburton: What was that again?

Mr GUNN: Those facts will be made very clear by the Premier and Treasurer during his speech on the Appropriation Bill (No. 1). He will table the documents. The Leader of the Opposition will receive all the information this afternoon. He should wait until then. However, he should be told a few facts now.

I inform honourable members that Queensland's taxes since 1981-82 and 1982-83 rose by only 8.6 per cent compared with New South Wales, 17.2 per cent; Victoria, 22.3 per cent; South Australia, 10.1 per cent; Western Australia, 12.6 per cent; and Tasmania, which is a conservative State, the lowest increase, 5.7 per cent. I congratulate that State. Of course, many things are happening in Queensland.

Mr Warburton interjected.

Mr GUNN: The honourable member was not there. A young research officer was sent along. He had to be briefed by officers from the Treasury Department. The honourable member was not even there.

From the ABS report it can be seen that the total taxation revenue of Queensland per capita is \$433.97. That is \$242 less than the figure for Victoria, \$225.83 less than the figure for New South Wales, \$64.22 less than the figure for Western Australia and only 76c less than the figure for South Australia. Since the socialists gained office in South Australia, the plug has been pulled out, so nothing is happening in that State.

I can assure honourable members that this afternoon the Premier and Treasurer will lay the facts on the table. When Opposition members are examining those figures they should move their finger along the line to make sure that they obtain the correct information. On a previous occasion Opposition members jumped a line. I think that all of the problems of the Opposition will be solved this afternoon.

Department of Commercial and Industrial Development Report on Queensland's Economy

Mr WRIGHT: My second question, therefore, has to be directed to the Minister for Industry, Small Business and Technology. I refer him to the report of the Department of Commercial and Industrial Development—I asked the Deputy Premier a question about it, but he refused to answer it—which criticised the economy of this State but which, in turn, was criticised by the Deputy Premier as being utter hog-wash. I now ask: Does he stand by the substance of his department's report, and will he now release it so that the public may see who is telling the truth?

Mr AHERN: The document is a Cabinet document. Cabinet has decided that it will not be released. It is not my practice to comment on such reports. However, I give strong support to my departmental officers generally in the work that they do.

I will lay on the table a document showing how the Australian States compare. I refer the Leader of the Opposition to some of the statistics contained in it. They underpin the advice given to the House this morning by the Deputy Premier and Minister Assisting the Treasurer that Queensland's economy is performing very well. A number of indicators presented in the table show that Queensland's economic performance is regarded by economists of this nation as being first rate and, on the basis of many criteria, leading Australia over the last 10 years and this year, and it will lead it next year.

It is no secret that a couple of areas of the State's economy are having some problems. The Government does not seek to run away from that. The first is the sugar industry. There are 7 000 sugar-farmers in Queensland. The Government must consider them, their wives and the people who provide them with services. They are serviced by 30 large sugar-mills, each of which in its own right is a large industrial undertaking. When the sugar industry has difficulties, Queensland has some difficulty. There is some concern also relative to the coal infrastructure——

Sir Joh Bjelke-Petersen interjected.

Mr AHERN: The Premier makes the point that the Federal Government was asked to provide assistance to the sugar industry but turned the request down flat. Despite the fact that the Queensland Government has a long record of support to the Queensland sugar industry—it made \$10m available to sugar-mills last year and a substantial amount to sugar-growers—when the chips were down this year, the Federal Government said, “No, thank you.” In spite of the fact that it made funds available to many other sectors of the community, to the great sugar industry, which is so important to Queensland, the answer was, “No.”

I turn now to heavy engineering, the other sector of the Queensland economy in which there are some problems. An industry had built up round the development of coal mines. It was running at about \$1,100m a year. As a result of mine development being completed, that work has slowed down considerably. That is why my colleague the Minister for Transport has put forward a rail electrification program. It will be of tremendous assistance to Queensland. The Leader of the Opposition roundly condemned the way in which the Government sought to share the work across the heavy engineering industry of Queensland. He was the first to attempt to put it down. That is why an article appeared in this morning's newspaper about the Queensland Government trying to bring additional steel manufacture to Queensland. The Government recognises the downturn and it is acting.

When the criteria are considered, it is seen that Queensland's economy is performing very well.

Mr Wright: What do you say about the Deputy Premier's criticism of your department?

Mr SPEAKER: Order! Unless the Minister wishes to reply to the Leader of the Opposition, I warn the Leader of the Opposition under Standing Order No. 123A.

Mr AHERN: It is not my intention to pursue that matter.

I lay on the table of the House the document I have referred to, which shows that Queensland's economy has performed exceptionally well over the years and will continue to perform well. It will lead Australia in the days ahead.

Whereupon the honourable gentleman laid the document on the table.

Effect on Queensland of Federal Budget

Mr NEAL: I ask the Premier and Treasurer: Will he advise the House of the likely effect of the recently introduced Federal Budget on the State of Queensland and its people?

Sir JOH BJELKE-PETERSEN: The media has made quite a deal about the Budget just introduced in Canberra being an election Budget and has tried to make out that it is a very acceptable Budget; but it is not, particularly for Queensland.

Mr Fouras: Why didn't you want to debate this yesterday?

Sir JOH BJELKE-PETERSEN: The honourable member has great difficulty in finding anything worth while in this State or in the nation.

The Budget deficit is so high that interest repayments will be \$5.6 billion, which is an increase of 29 per cent on last year.

Mr Hamill: What about the \$8m for the Community Support Program in Queensland?

Sir JOH BJELKE-PETERSEN: The honourable member needs some assistance. Obviously, members of the Labor Party do not want to hear anything about the Budget.

Mr Prest interjected.

Mr SPEAKER: Order! I warn the honourable member for Port Curtis, who on various occasions has made persistent interjections that I find offensive. Under Standing Order No. 123A, I ask the honourable member to desist. I warn him again.

Sir JOH BJELKE-PETERSEN: Obviously, honourable members opposite know that the Budget is not what it appears to be.

Mr Prest interjected.

Mr SPEAKER: Order! I warn the honourable member for Port Curtis under Standing Order No. 123A. If the honourable member has such contempt for the Chair as to repeat the name that has been in the papers, he will be removed from the House. That is my final warning.

Sir JOH BJELKE-PETERSEN: The Labor Party is made up of people like the honourable member for Port Curtis. No wonder it cannot make any headway in this State.

Mr Prest interjected.

Mr SPEAKER: Order! The honourable member for Port Curtis will withdraw from the Chamber.

Mr WRIGHT: I rise to a point of order.

Mr SPEAKER: Order! I have asked the honourable member for Port Curtis to withdraw from the Chamber.

Whereupon the honourable member for Port Curtis withdrew from the Chamber.

Sir JOH BJELKE-PETERSEN: One can understand why the honourable member feels put out.

Mr WRIGHT: I rise to a point of order. Mr Speaker, you have just removed one of our number from the Chamber, but now you are allowing the Premier to continue to speak in this provocative way. I do not believe that is fair; it certainly is unmanly.

Sir JOH BJELKE-PETERSEN: I will start on the Leader of the Opposition, if he likes. Does he want me to mention a few things?

Mr SPEAKER: Order! There is no point of order.

Sir JOH BJELKE-PETERSEN: I will return to the Budget, which honourable members opposite do not want discussed.

Mr R. J. Gibbs interjected.

Mr SPEAKER: Order! I warn the member for Wolston.

Sir JOH BJELKE-PETERSEN: As the Budget upsets members of the Labor Party so much, perhaps I should not speak about it. I know how they must feel. Is it an election Budget? It is not an election Budget.

I want to know why Australia has to have an early election. Why are the people in Canberra so frightened to continue in office? Why do they have to spend \$20m-odd on an election when they have been in office for approximately only half of their term? That shows the type of attitude that the Labor Party adopts. During the forthcoming election campaign, no doubt the Prime Minister will go to north Queensland and promise to double the support to the sugar industry, just as he did last time. That promise meant nothing. During the last election campaign, he promised five patrol boats and three Fokker Friendships. This time he will probably promise 10 patrol boats and six Fokker Friendships. Perhaps in that way Queensland will get something out of an early election.

He will go on and on and double what he promised in the last election campaign. All his promises mean nothing.

The media must support the people. I have to admit that an article in today's "Telegraph" states that millions of people will pay higher taxes. Millions of people will not be deceived by the people in Canberra. Millions of people face a jump in taxes. Opposition members should read that article. It shows clearly what kind of Budget has been brought down. It shows where the country is heading. It shows who will pay for the colossal Federal deficit that has increased by 29 per cent. Interest and redemption payments on that deficit are costing \$5.6 billion a year. That is the type of Budget it is, and as far as Queensland is concerned, it is an absolute disaster.

Federal Election

Mr NEAL: My next question is also directed to the Premier and Treasurer, although he partly answered it when answering my first question. I ask: In view of widespread speculation about an early Federal election, can he advise this House of the constitutional requirements for the holding of such elections and the reasons for cutting short the life of a Parliament elected for a term of three years?

Sir JOH BJELKE-PETERSEN: I have already largely answered that question, but I ask again: Why is the Federal Government considering an early election? I suggest that it is because they are frightened to face the consequences of their mismanagement. They are not prepared to wait for 12 months to face up to the consequences. The way they are going, the present deficit will be twice as large before long unless more and higher taxes are introduced after the election. They are frightened to face the consequences of the way they are running this nation. The deficit is of enormous magnitude, even though the Federal Government has printed \$13 billion, the highest ever——

Mr Hamill interjected.

Mr SPEAKER: Order! I fear that the member for Ipswich feels left out by not having been mentioned by name, so I warn him under Standing Order No 123A.

Mr R. J. Gibbs interjected.

Mr SPEAKER: Order! I also warn the member for Wolston under Standing Order No 123A.

Sir JOH BJELKE-PETERSEN: Because I do not want those honourable members removed from the House, I will conclude my remarks on the Federal Budget.

Telecommunications Network

Mr Warburton: I direct a question to the Premier and Treasurer. On 8 March this year I questioned him as to whether his Government was involved in any steps to establish a private telecommunications network, independent of Telecom, designed to link Government departments and offices throughout Queensland. The next day he replied that his Government was not involved in any moves to establish such a telecommunications network in this State. I ask: In view of the information now at hand that the Premier and his Government have been pursuing such a venture since late 1982, can he explain to this House why he chose to mislead this Parliament on such a very important matter?

Sir JOH BJELKE-PETERSEN: The Deputy Premier showed quite clearly that the honourable member does not understand a lot of things—that they are beyond him. Again, he does not understand this issue. Yes, we are a progressive and forward-thinking Government and we do plan a great many things that will be of outstanding value to this State. The honourable member has nothing to worry about in this regard. He is right off the track.

Sir Wallace Rae

Mr WARBURTON: I direct a question to the Minister for Justice and Attorney-General. Yesterday the Parliament heard some very serious allegations against a former Queensland Government Minister and former State representative in London, Sir Wallace Rae. Would the Minister advise whether any investigation has been initiated or is intended to be carried out in respect of those serious allegations, which obviously involve the Corporate Affairs Office? If so, when those investigations are carried out will he see fit, so as to prevent a continuation of the questioning which must occur in this place, to ensure that the report is tabled in this place?

Mr HARPER: My Commissioner for Corporate Affairs is aware of the matters that were raised yesterday by the honourable member for Southport. In fact, earlier in the week the opinion of counsel had been sought in regard to whether the offer being made by the company mentioned was a prescribed interest.

I am of the opinion, as is the Commissioner for Corporate Affairs, that it is a prescribed interest and so should conform to the code of the National Companies and Securities Council. As soon as advice is obtained from counsel, appropriate action will be taken. If the advice is in line with my thinking, an injunction will be issued so that the sale of the properties concerned will cease.

The House may be assured that appropriate action will be taken by me and by my Commissioner for Corporate Affairs in this matter.

Mr Warburton: Will the report be tabled in Parliament?

Mr HARPER: The result of any decision that I take in this matter will be made available to the public generally.

Medicare

Mr SIMPSON: I ask the Minister for Health: Does the rise in the Medicare levy maximum indicate that the cost of socialised medicine in Australia is greater than the Labor Party would lead us to believe? Does it mean that approximately an additional \$1 a week will be coming from the productive tax-payers of Australia?

Mr AUSTIN: Mr Speaker——

Mr Milliner: You gave the question to him.

Mr AUSTIN: I heard an allegation that I gave that question to the honourable member. I assure honourable members that I did not give it to him. The honourable member is genuinely sincere and worried about the cost of Medicare to the people of Queensland.

Yesterday I had the opportunity to take some figures from the Federal Budget. In the year 1984-85 the estimated amount to be raised from the 1 per cent Medicare levy for the whole of Australia is \$1,191m. That is made up of \$1,037m from pay as you earn taxation and \$154m from other sources. It is interesting to note that the estimated cost of Medicare for the year 1984-85 is about \$2,100m, so the levy will contribute only about half the cost of Medicare in this State.

In a document produced by the Federal Minister for Health (Dr Blewett) he itemises his costings for Medicare and refers to the additional expenditure, which is basically the figures that I have already dealt with. He also refers to the additional revenue from the levy on taxable income, from which he expects to finance Medicare. And Dr Blewett talked about health insurance rebates! What a sham that is! He said that he would get \$630m from health insurance rebates. I am sure that everyone in Queensland and elsewhere in Australia is well and truly aware that there is no health insurance rebate. It finished ages ago. I am not quite sure how a health insurance scheme can be financed out of a health insurance rebate that does not exist.

Mr Fouras: You don't know what you are talking about.

Mr AUSTIN: I am sorry, but I do. I am also sorry that the honourable member has just displayed his total ignorance of this matter.

It should be very plain to the people of Queensland that the Federal Government will have great difficulty in financing Medicare from the 1 per cent levy. I noticed that in Federal Parliament yesterday the Minister again made the statement that he had no intention of increasing the 1 per cent levy. One of the easiest ways in which the Minister can shirk his responsibility and get out of decision-making is to say that he personally has no intention of increasing the 1 per cent levy. He did not say that the Government or Cabinet would not instruct him to change the levy.

It is very obvious to me and to the people of Australia that Dr Blewett has now lit a Medicare bush fire, and, instead of hosing it with water, he is hosing it with petrol. It is out of control. I suggest that Dr Blewett should be given a new name in Canberra. He should be called Dr Nero—he is fiddling with the Medicare budget while Australia burns on the cost. As I say, Medicare is totally out of control.

I now refer to the amounts of money that have been paid to Queensland under the Medicare grant. This morning I noticed that the Australian Workers Union tried to claim the credit and say that the extra \$35m would go a long way towards helping Queensland. Let me put paid to that untruth. I note from the latest Medicare figures available to me—I believe that they are correct—that this year New South Wales will receive \$320m, or \$60.04 per capita; Victoria will receive \$229m, or \$57.13 per capita; South Australia will receive \$106.2m, or \$79.85 per capita; Western Australia will receive \$81.3m, or \$60.22 per capita; and Tasmania will receive \$29.5m, or \$68.60 per capita. Now I shall look at what Queensland will receive. It will receive \$114.2m, or \$46.61 per capita. That is an absolute disgrace. It is absolute rot and rubbish for members of the AWU and, I understand, members of the Queensland Labor Opposition to claim that Queensland has been fairly dealt with under Medicare. The Budget that the Federal Government has just introduced proves beyond doubt that Queenslanders are being robbed unmercifully through Medicare.

Establishment of Steel Mill

Mr SIMPSON: I ask the Minister for Industry, Small Business and Technology: Does new technology put Brisbane in a strong position to have a steel mill established in Queensland? Is it likely that that steel mill could even become an export-earner?

Mr AHERN: For a number of years, in the interest of generating employment opportunities and also with a view to providing extra opportunities for industries in this State, the Queensland Government has been trying to bring a steel industry to Queensland. For many years the Government has believed that that should happen. Down through the years, various Ministers have tried to bring that about.

Yesterday, I was very pleased to learn that BHP had indicated that it is prepared to move without delay to establish a billet-rolling mill in Queensland. The company is looking at a number of sites and is having discussions with us.

In an endeavour to utilise the tremendous scrap resources available in Queensland, five companies that are interested in establishing a steel industry here have been contacted. There is a substantial interest in this regard, and I am quite certain that we will deliver the goods within a few months. Queensland needs that employment and that investment. It will be welcome here.

Our faith in the provision of this facility for Queensland industry generally will be realised very shortly. It has to be understood that technology is having a tremendous impact on the steel industry throughout the world. It would be very foolish for a Federal Government, with the support of the unions and others, to try to insulate Australian

industry from the very positive benefits that can flow to industry generally from technological change in the steel industry.

My attention has been drawn to changes in furnace technology and also to changes in computer-aided manufacturing that will substantially lower the cost of providing steel for industry generally and will give Queensland an advantage.

The Government is very positive in its attitude. Discussions with a number of parties are taking place. The Government is anxious to ensure that its positive approach and the various comparative advantages that can be offered to people to invest in this State are fully realised so that maximum employment opportunities for Queenslanders in the steel industry and the construction industry can be provided.

Pricing of Discounted Articles

Mr INNES: In directing a question to the Minister for Employment and Industrial Affairs, I refer to an article in today's "Daily Sun" that has already been the subject of radio debate and comment. The article refers to the proposal by the Government to remove the obligation on retailers to display the original price as well as the discounted price for articles advertised or presented as discounts or bargains. I do not wish to explore what was discussed in the Government party room. It is shocking that such discussions are leaked. However, as this matter has now become of concern to the public, I ask the Minister: What arguments were advanced by the people who claim that such a change should be made?

Mr LESTER: The proposed amendment was a recommendation from the Consumer Affairs Council. That body consists of three consumers, two manufacturers, one retailer, two representatives from industrial unions, a medical practitioner, a barrister, a primary producer and the Commissioner for Consumer Affairs.

The current law is impracticable to the nth degree in its implementation. The law requires that, if a discount is applicable, every single item must be listed. One has only to consider what happens in a department store or a hardware store. Currently, retailers can get round this law by stating that a clearance sale, a winter sale or a summer sale is being held. I make it clear, however, that as Minister, I can ensure by regulation that certain goods are so prescribed, and I cannot see any particular problems.

The consumer laws in this State should be tightened as much as possible to bring some practicality into their application. There is no point in having a law that is difficult to enforce. Fines will be increased from \$200 to \$1,000 for a first offence, from \$500 to \$2,000 for a second offence and from \$1,000 to \$5,000 for a third offence. If a person writes to somebody seeking information about a case and receives no reply after a certain time, the law provides for a penalty of \$50 to be imposed. There the case ends. A person can be fined \$50 a day until he answers the whole query. The Government is trying to protect consumers across the board. It is trying to make practicable laws that are impracticable at the moment.

PA Australia Report on Railway Department

Mr STEPHAN: In directing a question to the Minister for Transport, I refer to the proposed rationalisation of staff of the Railway Department as a result of the PA Australia report. I ask: Were unions consulted before the recommendations were introduced? Have any recent changes been made to the timetable for the implementation of those recommendations?

Mr LANE: From reports that I have made on a regular basis to this Assembly, the honourable member would know that the PA Australia report put forward a very broad basis of recommendations for change in railway administration and management. The recommendations to which the honourable member is probably alluding are those that require some rationalisation of staff, station by station and depot by depot, round the State. I assure the honourable member that those changes that affect railway employees

in an industrial sense have been the subject of ongoing discussions and consultation with union leaders since the Government adopted the recommendations of the PA Australia report in March last year. Those discussions will continue. They include the drafting of one comprehensive award to cover all railwaymen. Those discussions are well under way and are progressing well.

The tax-payers of Queensland have been saved many millions of dollars by rationalisation in the Railway Department. Within the next few weeks, I shall be reporting to Parliament the details of those savings.

I give the honourable member the same guarantee that I have given this Assembly since the report was adopted. No permanent employees in the Railway Department will lose their jobs as a result of the recommendations of the PA Australia report. Their jobs are guaranteed. The Government will honour the redundancy agreement that was made with the Commissioner for Railways some years before I became Minister for Transport. That commitment has been given on many occasions, and it still stands.

Hospital at Robina

Mr MACKENROTH: In directing a question to the Minister for Health, I refer him to Cabinet's decision on 23 July 1984 to approve the construction of a 300-bed hospital at Robina by the Moran Health Care Group of companies. I now ask: Was he aware that the recommendation to approve the construction of the hospital had been placed before Cabinet on that day? Does the State Health Department approve in principle the building of a hospital of excellence in Queensland?

Mr AUSTIN: As the honourable member would be aware, I was not in Australia at the time.

An Opposition Member: Where were you?

Mr AUSTIN: I was in the United States of America, studying computer installations for Queensland. It was a very worthwhile trip. It appears that Queensland will save many hundreds of thousands of dollars as a result, so I thank the honourable member for the interjection.

I am not at liberty to discuss matters resulting from Cabinet consideration. The honourable member would be well and truly aware that it would be neither my responsibility nor my wish to discuss matters placed before Cabinet, which are confidential.

Redcliffe Hospital Contract

Mr MACKENROTH: In directing my second question to the Minister for Health, I refer to his statement in "The Courier-Mail" on Monday, 20 August, referring to the Redcliffe Hospital scandal, that "when Parliament resumes this week I intend to table copies of documents which will be irrefutable evidence and clear the board, the architects, legal advisers and my officers of any Opposition attempt to smear their character" I now ask: When does he intend to table those documents?

Mr AUSTIN: It is true that I made that statement in relation to the Redcliffe Hospital. I did so deliberately because I was concerned that members of the Australian Labor Party had attempted to use the privilege of Parliament by asking questions that were loaded, and loaded deliberately, to imply that there was something sinister in the conduct of the Redcliffe Hospital contract. I assure honourable members that, to the best of my knowledge, that contract has been administered honestly and properly by the members of the hospitals board, by the board's advisers and by the board's architects.

Mr Mackenroth: You said you were going to table the documents. Table them.

Mr AUSTIN: I ask the member to let me finish. It is intriguing that the honourable member for Chatsworth has sought to raise the matter. One can draw a parallel with the accusations made by the Leader of the Opposition over the Mater Hospital. The

Leader of the Opposition used Parliament and "Nationwide" to suggest that the Health Department officers, project manager and the Sisters of Mercy were so strict on the contractor that the poor subcontractors who had submitted their claims could not receive the payment they had asked for, that the contractor and the project manager were saying, "No. Substantiate your claim." Now that the Redcliffe Hospital contract has been raised, there are spurious allegations about a \$4.5 m extra, of which not one cent has been paid. The Opposition seems to suggest that the Government has paid that sum. The honourable member for Chatsworth seriously underestimates the ability of Health Department officers and board officers.

Mr Mackenroth: I asked you whether you were going to table them.

Mr AUSTIN: The member can sit there and cop it sweet. Obviously he does not know that, prior to my entering Parliament, I had 15 years' experience in contract work. I am well aware of some of the tricks that contractors get up to in relation to extras.

Mr MACKENROTH: I rise to a point of order. I really am not interested in what the Minister did before he came to Parliament. I simply asked him whether he would do what he said he would.

Mr SPEAKER: Order! There is no point of order.

Mr AUSTIN: I will answer his question, but I am giving a little bit of background information first, which he is obviously not aware of. I have every intention of tabling those documents.

Mr Mackenroth: "This week"

Mr AUSTIN: I have no intention of tabling them today. I am waiting for the member to get his foot a little further on the sticky paper. When he does, I will kick his teeth in.

Opposition Members interjected.

Mr SPEAKER: Order! I bring Standing Order No. 333 to the attention of honourable members. It provides that members should not provoke an argument. It provides a great deal more, too. Opposition members should acquaint themselves with that Standing Order.

Mr AUSTIN: I rise to a point of order.

Mr Casey: We are pleased to know you have found the Standing Order.

Mr SPEAKER: Order! We have found it, all right.

Mr AUSTIN: My last comment was figurative.

Australian National Line Service to North Queensland

Mr MENZEL: I ask the Minister for Environment, Valuation and Administrative Services: As the Federal Government is closing down ANL operations in Cairns, has the Prime Minister indicated that he will continue the operations, especially after the unsuccessful representations of Labor Party members in the Cairns area?

Mr TENNI: Like me, the honourable member for Mulgrave is very concerned about the increases in freight costs and the delays which will be caused by the Canberra socialist Government withdrawing ANL shipping services from Mackay, Townsville and Cairns.

As the Federal member for Leichhardt is now supporting the construction of the Cape Tribulation road, he is known as Mr Turnabout or Mr Somersault. I hope that he does a somersault on this matter as well and supports the people of north Queensland, as the honourable member for Mulgrave and I have always done.

An Honourable Member: Where does Mr Scott stand on that road?

Mr TENNI: He has been supporting the greenies.

Mr Scott: Don't worry about me, Martin. I can look after myself.

Mr TENNI: He supports the greenies, not the people he is supposed to represent.

Mr SPEAKER: Order!

Mr TENNI: An interesting point is that in the past the Commonwealth socialist Government has discriminated against white people in this country. As honourable members know, the Aboriginal race has benefited a great deal more than white Australians. Now there is to be discrimination between whites. Under what is called a freight equalisation scheme, this week's Budget allocated \$29m for subsidies on freight to Tasmania. Yet, because of a loss of \$6m, the Commonwealth socialist Government has closed down ANL. If that is not racial discrimination against the white Australians of this State, I do not know what it is. That that can happen is unbelievable.

The money for the Tasmanian freight equalisation scheme comes out of the common taxation pool. All that north Queenslanders are asking for is \$6m, not the \$29m provided in the present Budget, not the \$19m in the 1983-84 Budget or the \$23m in the 1982-83 Budget, which were the amounts given to the people of Tasmania to assist with the freighting of goods to that State.

In 1983, in his policy speech delivered in Townsville, Mr Hawke quite clearly said that sales tax would be removed from the freight element of goods delivered in north Queensland. That is another promise that he has not kept.

Mr R. J. Gibbs interjected.

Mr SPEAKER: Order! Because of the remarks that the member for Wolston is passing in the Chamber, I will, for the second time, warn him under Standing Order No. 123A.

Mr TENNI: If the Prime Minister had kept that promise the freight costs in far north Queensland would have been reduced.

Another point made in that policy speech in Townsville was that a Labor Government would do what it possibly could for north Queensland. Mr Hawke has done nothing for north Queensland.

I thank the honourable member for Mulgrave for his concern for the people of north Queensland and I challenge the socialist Labor Government and the Federal member for Leichhardt (Mr Gayler) to stand up for the people of north Queensland, not just those in Brisbane and Canberra.

Expo 88

Mr FOURAS: I direct a question to the Premier and Treasurer in relation to Expo 88. I ask: Is he aware that the Expo at New Orleans is now running at a fantastic loss because the number of visitors has fallen far short of the estimate and that costs are miles higher than estimated? Does the Premier stick by his assessment that 8 million people will visit Expo and, if not, who will pay for the losses? Secondly, as the South Brisbane Railway Station will now have to be relocated, which will incur another substantial cost, who will pay for the cost of moving the interstate station across the river?

Sir JOH BJELKE-PETERSEN: Fair enough; the honourable member wants to know the position. According to reports, the New Orleans Expo is losing a considerable amount of money, but its organisers did not go about things in the precise businesslike way in which we are going about it. They were late. The buildings were not completed by the time the Expo was opened. The Federal Government was very late with its \$7m

building. I had to prompt and prompt it, until ultimately it agreed to build it after originally knocking back the proposal. When a start like that is made, one cannot expect the desired results. We will get the results; there is no doubt about that.

Mr Fouras: Are 8 million people going to come?

Sir JOH BJELKE-PETERSEN: Yes, that is the forecast. Queensland is recognised and known around the world as a State on the move. As a matter of fact, I received two telephone calls from the United States urging me as the Premier of Queensland—this State that is so well-known—to support the application for the 1992 Olympic Games made by the Lord Mayor of this city, who needed the strength and support of the Government. I did so. Those calls were received because of the recognition of Queensland's standing as a State on the move with a strong, private enterprise Government.

It would be good if the honourable member and his colleagues could prompt their colleagues in Canberra, who are sitting back in the breeching. The committee and I have endeavoured for months and months to get some idea of what the Federal Government intends to do. Look at what was contained in the Federal Budget. The Government said, "You can have \$3m towards Expo," yet it gave \$30m spread over a few years towards the defence of the America's Cup in Perth.

Mr Fouras: You said it could be funded without Commonwealth funds.

Sir JOH BJELKE-PETERSEN: The honourable member should look at the priorities. The Federal Government has come up with \$30m for the America's Cup, yet we received only \$3m for Expo, which, in a way, is of world-wide interest.

Although I have not said much about it, I must mention that we have been endeavouring to persuade the Federal Government to send out the invitations to Expo. They should have been sent months ago. Because of the need to issue visas and so on, the official invitations have to be sent out through the Prime Minister's Department. They may have been sent out in the last few days, but I have not been able to gain any information about that. We have not been informed. We have tried for a long time, so the honourable member can see what we are up against.

Mr Fouras: It is not going to cost us any money?

Sir JOH BJELKE-PETERSEN: No.

Mr Fouras: Absolutely? You stand on that?

Sir JOH BJELKE-PETERSEN: We stand on that completely. The honourable member knows that.

Mr Gunn: The Commonwealth Games.

Sir JOH BJELKE-PETERSEN: As the Minister interjected, the Commonwealth Games are an example.

The point is that the site in New Orleans will be of immense value after Expo has concluded. Quite apart from the receipts during the duration of Expo, companies from all around the world will erect displays and there will be immense value in resale and so on. So we are quite happy and relaxed that the tax-payer will not have to pay but he will benefit enormously from the money spent by people who come here and the publicity that we receive as a consequence.

Half Tide Island Tugboat Harbour

Mr RANDELL: I ask the Minister for Water Resources and Maritime Services: Can he inform me of the present situation relating to the building of a tugboat harbour at Half Tide Island near Hay Point? Has the project been approved by Cabinet and, if so, when will tenders be called for construction? Further, has the Minister given consideration

to my submission to him to incorporate a small boat-ramp to be built as part of the total project?

Mr GOLEBY: I am well acquainted with the Half Tide Island area. I report to the honourable member and the House that Cabinet has approved the construction of the tugboat harbour. The usual tendering process will be used. I inspected the area with the honourable member to determine the need for small-craft facilities. My officers are presently evaluating the area for this purpose. I am confident that, in the very near future, I will be able to announce that small-craft facilities such as ramps and so on will be established in the area.

Effect on North Queensland of Federal Budget

Mr RANDELL: I ask the Minister for Northern Development and Aboriginal and Island Affairs: Can he advise me what the recent Federal Budget means to north Queensland? Can he outline the benefits, if any, or the disabilities it will bring to the residents of north Queensland?

Mr KATTER: North Queensland members will realise that I and my Cabinet colleague Mr Tenni, have tried very vociferously in the last few weeks to try to put pressure on the Federal Government relative to a number of issues. Far from receiving support from honourable members opposite, we found ourselves being attacked because we had the temerity to criticise the Federal Government about the Australian National Line. It has been said in north Queensland again and again that we have two Labor Party Federal members who have opted not to be north Queensland's voice in Canberra but to be Canberra's voice in north Queensland. I am very surprised and, indeed, disappointed that, when we criticised ANL, the honourable member for Cairns (Mr De Lacy) immediately demanded that we cut back on the subsidies given to north Queenslanders by way of railway freight rates. He demanded that we cut back the subsidised rail freights to north Queensland. That was his answer. I repeat that he attacked both the member for Barron River and me for attacking Canberra. That shows the sort of service that the people of north Queensland are getting from the ALP.

Mr De LACY: I rise to a point of order. I did not make those statements. I ask the Minister to withdraw them. That is typical of the type of statement that he makes repeatedly in north Queensland, and that is why we treat him as a joke. I ask the Minister to withdraw his remarks, because I did not make the statements.

Mr SPEAKER: Order!

Mr KATTER: I will do better than that; I will bring to the House the newspaper article with the honourable member's statements in it. I will withdraw until such time—

Mr SPEAKER: Order! The Minister has been asked for a withdrawal.

Mr KATTER: I will withdraw the statement and bring to the House next week the newspaper with the member's statements in it. I will then ask him to apologise for misleading the House.

Opposition Members interjected.

Mr SPEAKER: Order!

Mr KATTER: I am far from finishing the answer to the question.

Mr Casey: We have had enough of you.

Mr KATTER: I can understand that, but there is a great deal of pain to come.

In further answer to the honourable member's question—he came to me earlier this week and told me that four people had left the sugar industry in Mackay—there was resounding silence from the member for Mackay—and that another two were intending

to leave the industry in that area. Only recently, in Innisfail, the sugar industry approached me officially and told me that the industry had suffered its first cane-farmer bankruptcy in almost 15 years. Despite these happenings, I have not heard a single demand from the ALP members in this House or from their Federal colleagues seeking money for the sugar industry. It is with great regret and sadness that I have to say that one of the two great locomotives in the Queensland economy has been left without a single, solitary cent of assistance from the Federal Government. Honourable members opposite well know that this is the first ever Federal Government not to help out an industry when its problems are of such magnitude.

So much for the sugar industry. I now quote from a document all north Queensland members of Parliament carry with them. It is the document on ALP policies prepared by Mr Hawke. We carry this document with us everywhere. I ask honourable members to note this comment—

“We will give sympathetic consideration to an industry loan to the Queensland and New South Wales sugar industries.”

I must thank Mr Hawke; Queensland has not received a single solitary cent—nothing for water development and nothing for the water supply at Karumba, which was promised in the same document. Queensland has received nothing for the Mareeba farmers who have gone broke as a result of the terrible frosts. It was the first time in 20 years that a catastrophe of that size had occurred in Queensland, and not one cent has been received.

Mr SPEAKER: Order! I believe that the Minister has made his point very clearly.

Mr KATTER: There are two other matters that I wish to mention in reply to the honourable member's question.

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

SUPPLY

Vote of Credit—\$2,665,000,000

Mr SPEAKER read a message from His Excellency the Governor recommending that the following provision be made on account of the services for the year ending 30 June 1985—

From the Consolidated Revenue Fund of Queensland, the further sum of \$1,050,000,000;

From the Trust and Special Funds, the further sum of \$1,500,000,000; and

From the moneys standing to the credit of the Loan Fund Account, the further sum of \$115,000,000.

Committee

Hon. Sir JOH BJELKE-PETERSEN (Barambah—Premier and Treasurer): I move—

“That there be granted to Her Majesty, on account, for the service of the year 1984-85, a further sum not exceeding \$2,665,000,000 towards defraying the expenses of the various departments and services of the State.”

Motion agreed to.

Resolution reported, received, and agreed to.

WAYS AND MEANS

Committee

Vote of Credit—\$2,665,000,000

Hon. Sir JOH BJELKE-PETERSEN (Barambah—Premier and Treasurer): I move—

“(a) That, towards making good the Supply granted to Her Majesty, on account, for the service of the year 1984-85, a further sum not exceeding \$1,050,000,000 be

granted out of the Consolidated Revenue Fund of Queensland exclusive of the moneys standing to the credit of the Loan Fund Account.

(b) That, towards making good the Supply granted to Her Majesty, on account, for the service of the year 1984-85, a further sum not exceeding \$1,500,000,000 be granted from the Trust and Special Funds.

(c) That, towards making good the Supply granted to Her Majesty, on account, for the service of the year 1984-85, a further sum not exceeding \$115,000,000 be granted from the moneys standing to the credit of the Loan Fund Account."

Motion agreed to.

Resolutions reported, received, and agreed to.

APPROPRIATION BILL (No. 1)

First Reading

A Bill, founded on the Resolutions reported from the Committee of Ways and Means, was presented and read a first time.

Second Reading

Hon. Sir JOH BJELKE-PETERSEN (Barambah—Premier and Treasurer) (12.50 p.m.): I move—

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

This Bill appropriates an amount of \$2,665m for expenditure from the Consolidated Revenue Fund (\$1,050m), the Trust and Special Funds (\$1,500m), and the Loan Fund (\$115m), for the normal services of the Government until the passage of the Budget legislation itself. This amount is in addition to an amount of \$1,720m, which was appropriated by the Appropriation Act (No. 3) 1983.

In the past, it has been the practice at this time to comment on the Queensland economy. On this occasion, however, I propose to respond to the malicious distortion of the Queensland Government's financial position that has been peddled by senior members of the Opposition in recent weeks.

In assessing the allegations made by those men, who purport to be capable of governing this State, I am forced to one of two conclusions: either the statements are the result of a terrible ignorance of the facts, which is bad enough, or they are a deliberate attempt to deceive the Queensland public as to the State's true financial position.

Let me turn now to the specific remarks to which I wish to refer. On 14 June the Deputy Leader of the Opposition alleged that Queensland's debt was the largest of any State. I do not know what sort of dream he had that night. That is simply untrue. As I will detail later, Queensland has in recent years spent more per capita on capital works than the other States. However, this has not resulted in Queensland's total debt being higher than that of other States—in fact, quite the reverse.

As at 30 June 1983 the total level of debt of the Queensland Government and its authorities was estimated at \$3,281 per capita, compared with a six-State average of \$3,316 per capita. And this higher level of capital expenditure has not meant that Queensland is paying more than the other States in interest payments. Indeed, Queensland's interest bill is below the Australian average, a fact that Opposition members could have easily seen if they had either the capacity or desire to properly understand the relevant Australian Bureau of Statistics publication.

The Deputy Leader of the Opposition said that Queensland's annual interest bill was \$289 per capita. At the same time, however, he claimed that the comparable New South Wales figure was \$40 per capita. That is clearly nonsense and can only have resulted from a deliberate misreading of the relevant ABS publication. Indeed, the only way I can come up with the figure of \$40, quoted by the honourable member as the per

capita debt figure for New South Wales, is to take the next line in the ABS table. However, the simple fact is that the next line in the table has nothing whatever to do with interest due by the State of New South Wales. Rather, if he had held his finger steady and traced the line across to its description, he would have seen that he was calculating from the heading "Personal benefit payments". In fact, the real interest figure for New South Wales is \$270 per capita. The mistake does nothing but confirm the Opposition's lack of expertise and credibility on financial matters. I note, however, that the Opposition is not alone in having trouble understanding the ABS publication.

In a prominent front page article by Leon Pearce, who is a former ALP candidate, "The Courier-Mail" on 22 June suggested that the comparable interest figures were \$289 per capita for Queensland and \$128 per capita for Victoria. A difference of that magnitude would have caused most reasonable minds to check again. In this case, the mistake has been to read from the wrong table. The comparable interest figure for all authorities in Victoria is \$318—nearly \$30 per capita more than the Queensland figure. This incorrect statement was picked up and repeated without question by the then ABC commentator, and, more recently, failed ALP candidate for Stafford, Janine Walker, in an attempt to give it a false validity.

I table the relevant ABS statistics. They show clearly the misinformation, misunderstanding or misreading which is the basis of the Opposition's case. If the ignorance was not so serious, it would be first-rate comedy.

Whereupon the honourable gentleman laid the document on the table.

The Opposition seems convinced also that the Government's capital development programs will lead to increased taxes. It ignores the fact that much of this capital expenditure has been funded either directly by the companies that will use the capital facilities (for example, financing for the upgrading of the Central Queensland coal lines and the provision of rolling-stock), or by agreements with these companies that they will meet the full costs involved, including interest and redemption (for example, the Dalrymple Bay and Abbot Point coal-loading facilities). In neither case will these capital works increase the tax burden—contrary to the scare statements of the Opposition. It also ignores the reality of the last few years, over which we have been able to divert substantial sums from the Consolidated Revenue Fund into capital projects without increasing taxes.

The effect of this course is that the Government has been able to maintain its capital works program at acceptable levels, thus maintaining employment and providing schools, hospitals, dams, police stations, court houses and ports at no interest and redemption cost for future generations for the extra CRF funds used—a very commendable position indeed, compared with contemporary Labor Government experiences in other States and in Canberra. I pay tribute to our Treasury officials, who do an excellent job.

The Opposition Leader himself also seems incapable of even understanding the Bureau of Statistics warnings about its own figures. In this regard, the bureau indicates clearly that the supposed deficit figures that they outline are unreliable for comparison purposes as they—

count our security deposit arrangements used in the major expansion of our coal railway lines (which impose no burden on the taxpayer, incidentally) as part of the State's so-called deficit, and

do not count sale-and-lease-back arrangements entered into by other States for the same purposes as part of their deficits.

Put simply, the figures substantially overstate our so-called deficit and understate those of other States—a fact that the Opposition is conveniently unprepared (or unable) to grasp. In this regard, I would point out the following facts—

For 1983-84, net financings in New South Wales are estimated by the ABS at \$1,160m. In addition, however, the same ABS table indicates that it was estimated that New South Wales would sell and lease back assets worth \$834m in that year.

As this is just another form of financing, total financings in 1983-84 for New South Wales are therefore really estimated at \$1,994m.

For 1983-84, net financings in Queensland are estimated at \$1,740m. However, this includes an estimated \$410m in security deposits from mining companies. These deposits are not repayable unless the mining company rails the agreed amount of coal, thus paying the State sufficient freight revenue to meet this cost and make a substantial profit. In other words, the mining company is effectively responsible for these repayments. In reality, therefore, Queensland's financings in 1983-84 will amount to \$1,354m.

Instead of Queensland's so-called deficit being \$580m greater than that of New South Wales (as an uninformed ALP reading of the ABS bulletin implies), it is in fact at least \$640m less than that of New South Wales.

Sitting suspended from 1.1 to 2.15 p.m.

Sir JOH BJELKE-PETERSEN: Before the luncheon recess, I stated that rather than Queensland's so-called deficit being \$580m greater than that in New South Wales, as an uninformed ALP reading of the ABS bulletin seems to imply, it is in fact at least \$640m less than that in New South Wales.

In reality, comparisons on the basis of these figures are not valid. The ABS knows this and warns readers not to use them for comparison purposes, a fact that is concealed by the Labor Opposition when it wants to use these figures for its own propaganda.

Mr Davis: What do you do?

Sir JOH BJELKE-PETERSEN: I am telling the honourable member the correct information. If he reads and studies it, he will see that I am right and he is wrong.

Indeed, the so-called deficit shown by the ABS is not really a deficit in the normal budgetary sense; rather it is a reflection of capital borrowing needs, much of which, as I have already indicated, are financed by user charges rather than by the State's taxpayers.

Let me now turn to a more comprehensive overview of the real situation. The Queensland Government's finances are in a most healthy state—a state of balance. The Consolidated Revenue Fund was in balance as at 30 June 1984. At the close of the last financial year, there was a small surplus of just under \$1m. Furthermore, I can promise that it will still be in balance at the end of 1984-85. It is also significant to note that this is the accumulated position of the Consolidated Revenue Fund since Queensland was proclaimed in 1859.

The underlying strength of the Queensland Government's finances is also demonstrated by the fact that the State was able to direct over \$100m from the Consolidated Revenue Fund to capital works projects during 1983-84. Indeed, over the last five years an aggregate amount approaching \$550m has been directed out of the Consolidated Revenue Fund to capital works projects.

This is quite a different situation from that in a number of Labor States, where just the reverse is happening. They are using capital funds—at continuing increasing debt costs—to fund operating deficits. In other words, they are borrowing to live, which is very bad business and a very dangerous practice as it mortgages the future, but for no future benefit. I can assure honourable members that this practice will not be adopted in Queensland while my Government is in office.

As at 30 June 1984, the State's Loan Fund was also in balance, as it was at the beginning of the 1983-84 financial year. As honourable members are aware, only capital expenditures are incurred in this fund. As well as that, the State's Trust and Special Funds recorded a substantial surplus in their operations in 1983-84.

In summary, the State Government finances and operates through three funds only. The Consolidated Revenue Fund and the Loan Fund are in balance and the third—the

Trust and Special Funds— has funds in credit. This healthy position of the State Government's finances has arisen primarily as a consequence of tight budgetary control, combined with the active promotion and assistance provided by the Government in the development of the State's many resources.

In recent times, the State's doom and gloom critics have referred to the great mining and industrial expansion of the late 1970s and early 1980s as a non-event, as some "boom" which was talked up by politicians but which really did not happen. Such statements are, however, ill-informed and ignore the substantial mining and industrial growth that did in fact take place in Queensland during this period and the foundations which have been laid for further expansion and development in Queensland when the world's economic situation improves.

Mr Davis: What about Mount Isa Mines? What do they say.

Sir JOH BJELKE-PETERSEN: That company has been investing in many things and expanding very rapidly. That indicates that it is in a pretty healthy position.

Mr Comben: Very recently Mount Isa Mines put people off. They are not in a healthy position.

Sir JOH BJELKE-PETERSEN: I do not know how long the honourable member has been resident in Queensland, but if he had been here longer he would no doubt have a greater appreciation of the position.

In that regard, about 10 major new coal projects have been brought on stream over the past few years. Opposition members cannot name any Labor State in which 10 new coal projects have been brought into being in the past couple of years. These mines will represent a doubling of Queensland's coal exports by the late 1980s.

Mr COMBEN: I rise to a point of order.

Mr SPEAKER: What is the honourable member's point of order?

Mr COMBEN: I apologise. The Whip misled me to a certain extent. I apologise.

Mr SPEAKER: Order! There is far too much audible conversation anyway, and I warn the honourable member for that offence.

Sir JOH BJELKE-PETERSEN: I would not like to embarrass the honourable member any further.

We have also seen the launching on a large scale of our new export steaming coal industry. In addition, the period produced the major QAL alumina refinery expansion and the completion of the Comalco aluminium smelter—the first in this State.

Apart from the substantial additional employment that was generated and the spin-off of development in other industries, these projects have resulted in a significant enhancement of the Queensland economy on a long-term basis by virtue of the much higher sales proceeds that we have now and that will now continue. All of this development reflects to the financial advantage of Queenslanders generally for years into the future.

In addition, a substantial amount of infrastructure has been provided and there has been a very large capital expansion generally in the community, such as new railway lines, port facilities, power stations, towns and cities. All of it is reflected in Brisbane, the capital of the State, which has grown substantially in that time.

Indeed, over recent years, the Queensland Government has been spending significantly more per capita than the other States on capital works. Over the last five years, capital expenditure has averaged \$640 per capita per annum in Queensland compared with the six-State average of \$534 per capita.

This higher level of Government capital expenditure has arisen directly as a consequence of the greater pace of development in Queensland compared with the other

States. In this regard, the State has had two options open to it, either to do nothing and let the opportunity for development pass or to accept the challenge and increase its level of capital expenditure accordingly.

We chose the latter alternative, to the substantial benefit of the people of Queensland.

Notwithstanding this higher than average capital expenditure, it is absolutely misleading to assert that it has resulted in a debt "burden" for the State.

As I have already indicated, much of the relevant capital expenditure has either been funded directly by the companies themselves at no cost to the State or, where the State has provided the capital facilities, by contractual arrangements entered into with the companies involved, under which they effectively meet all costs, including interest and redemption, on the debt related to those facilities.

Accordingly, Commonwealth Budget Paper figures show Queensland's total stock of debt is lower than the average of the other States. And when speaking of debt at this level, included are the assets of all the public facilities in the State—the schools, the hospitals, the roads, the bridges, the dams that Queenslanders pay for through taxes and charges to the State, the electricity they use and pay for through tariffs, and the sewerage, water, streets and gardens which are provided through councils and which Queenslanders pay for through council rates.

In addition, the figures show that Queensland has the lowest per capita public debt of any State, the lowest debt to the Commonwealth of any State, and the third lowest per capita level of interest repayments of any State.

In short, the Queensland Government's finances are in a most healthy state of balance, a balance that will continue to be maintained into the future as further economic expansion and development in the State proceeds.

I express to the officers of the Treasury Department my appreciation and satisfaction for the work that they have done.

I commend the Bill to the House.

Mr WARBURTON (Sandgate) (2.25 p.m.): As the Premier said, I am very critical of his Government's economic performance and, today, I intend to back up my assertions, as he described them. Before doing so I will cite a prime example of the incompetence and lack of knowledge of a Government spokesman, or supposed spokesman, on Treasury matters. I am referring to the Deputy Premier and Minister Assisting the Treasurer, who claimed this morning, in response to a question asked by the Leader of the Opposition, that the figures relating to Queensland's level of debt could be found on page 163 of what he referred to as an ABS publication. "Payments to and for the States".

For a start, he is wrong on those points. He was quoting not from an ABS publication but from Commonwealth Budget Paper No. 7 "Payment to and for the States". That is one mistake he made; he cannot even distinguish the ABS publication from Budget Paper No. 7. To make matters even worse, he referred not to this year's Budget Papers but to last year's Budget Papers. So much for the incompetence of the people supposedly running the financial affairs of this State!

Mr Gunn: I will table this document.

Mr WARBURTON: I have the right copy here. The relevant page is page 163.

If the Deputy Premier and Treasurer wants the current figures—and I will explain to him what they really mean—they are to be found on page 209 of the current Budget Paper No. 7. Most importantly, it is a complete fabrication to claim, as the Government has attempted to do, that this indicates the total State debt. It does no such thing. It represents only the moneys and the funds that the Commonwealth raises on behalf of the States.

If the Minister or his officers had taken the time to read the introductory appendices on page 109, they would have seen that the table to which the Minister referred states, "Records the level of debt outstanding in respect of the financing of State Government's, Loan Council borrowing programs." In addition, if the Minister had bothered to read footnote "A" to that table on State Government debt outstanding, he would have seen clearly that the table does not include the debt of State Government, semi-Government or loan authorities or State Government debt taking forms other than securities on issue or loans outstanding to the Commonwealth Government.

I have just been speaking to the Commonwealth Treasury officers, who said quite emphatically that the Government certainly cannot equate with the total debt outstanding that table setting out the State Government debt outstanding.

Mr Gunn interjected.

Mr WARBURTON: If the Minister wants to argue with these people, well he might. They said that they have not even got the information to make an estimate of the total debt of this State Government.

As to the comments made by the Deputy Premier and Minister Assisting the Treasurer about taxes in Queensland compared with those of other States—he resorted to manipulation of the statistics in the ABS taxation revenue publication. The introductory paragraph to that publication states quite clearly that comparison should be made only between the combined statistics of State and local taxation. That is because in some States a number of taxes are local taxes and in other States some are in fact State taxes. Only the combined total of State and local taxation gives anything like a true comparison. In using this figure, the ABS concludes that South Australia as well as Tasmania have lower per capita taxes than Queensland, and that Western Australia is only marginally higher.

In the light of certain comments made today, it would be remiss of me not to say something about the Federal Budget. Last Tuesday evening, the Federal Budget was brought down, and the Premier's response was what one would have expected. It was unbelievably devoid of any substance.

It must be remembered that the Hawke Government's inheritance was the result of deceit and mismanagement by a conservative Government that the Queensland Government supported to the hilt. Only after the Labor Government took office and examined the files, so to speak, did the seriousness of the nation's economic plight become known. Those are the facts that must be remembered by the people of Australia. Only a little over 12 months later, the Hawke Government had to introduce a Budget to bring the nation's economic climate back to a reasonable level.

It is economic nonsense to complain, as the Premier has done, that the Federal deficit should have been much lower, while, on the other hand, saying that the tax cuts were not large enough. It is one thing to play politics, but it is another thing for a Government leader to display such an ignorance of hard economic facts. It must be borne in mind, as the more proficient commentators have done, that, only a little over 12 months ago, the nation faced economic disaster under a conservative Government. Under conservative forces, Australia was in the worst recession since the Great Depression. This Federal Budget should be seen—and I know will be after the incorrect statements are pushed aside—as a sound Budget aimed at promoting business and consumer confidence. Above all, it will ensure that Australia's unemployment rate will continue to drop.

The Premier was deceitful when he made the bland statement that Queensland would receive an allocation of only \$3m for Expo 88. He knows that that is not a fact. That is only an initial contribution. The total level of the Federal Government's contribution is subject to further negotiations with Queensland. The Premier knows that, yet he goes on with that deceitful nonsense. Unfortunately, the media of this State are sucked in by the snow job that he and his media people do.

To suggest that Queensland has not fared well as a result of a Budget brought down as the nation slowly but surely drags itself out of recession is in fact to fly in the face of reality. The sum of \$61m has been allocated to complete Brisbane Airport ready for Expo 88. A 40 per cent increase in Community Employment Program funding, or \$58m, will provide an estimated further 11 000 jobs for Queenslanders. The sum of \$82m will come to Queensland for public housing under the Commonwealth and State Housing Agreement. The sum of \$35m will be given to the State as additional compensation for Medicare. Queenslanders can expect to receive \$54m, which will provide about 16 000 additional homes, under the Federal Government's first home-owner scheme. The sum of \$259m, which represents a 44 per cent rise since 1982-83, will be provided for Queensland's roads. Of a total national allocation of \$64.3m, our State will receive \$27.9m—more than double the allocation to any other State—under the Water Resources Assistance Program, and I shall have a little more to say about that later.

Those are but a few of a long list of Budget pluses for Queensland, many of which are directed towards the north and other parts of this State. For example, the decision to index rebates for eligible consumers of diesel fuel will benefit off-road users in agriculture, mining, fishing, forestry, households, hospitals and nursing and aged people's homes. The pathetic attempt by the Liberal six-pack in this place yesterday to debate the Federal Budget was, luckily for them, unsuccessful. People remember that Peacock, and, in particular, Howard played very prominent roles in bringing about our nation's recent tragic recession. They will be rejected for their past activities, just as many of the Liberals' former parliamentary colleagues in this place were rejected for their activities.

State Labor Premiers have been quick to indicate that they will ensure no further financial impositions by way of taxes in their States. I will be interested to learn whether or not Queensland adopts the same line. As yet, the Premier and Treasurer has made no comment.

I turn now to a very important matter. On 6 and 7 August, the Commonwealth Grants Commission held its Brisbane hearings, and the opportunity arose to hear the testimony of the State's public servants.

Mr Gunn: You weren't there.

Mr WARBURTON: No, I was not there, but I had the good grace to have a representative at the hearing. It is unfortunate that the Deputy Premier and Minister Assisting the Treasurer did not attend, because, if he had, he would not have displayed incompetence and ineptness in this Chamber.

Representatives of the media also were not present at the hearings and missed out on the opportunity to hear a number of interesting confessions about the condition of the State's economy and the distinct lack of success of some of the Government's recent so-called financial incentives. It was a wonderful opportunity to hear the facts presented by the representatives of the State public service and not by the State Government's media machine. It was very pleasing to hear senior Treasury officials confirm and support many of the arguments presented over the past year by me, the Leader of the Opposition and other Opposition members. I will detail those comments later.

Like other honourable members, I have been told that the Deputy Premier and Minister Assisting the Treasurer (Mr Gunn) is thanked every couple of days by the Premier for carrying out the Premier's Treasury duties. I presume that the Deputy Premier will not dispute the evidence presented to the Grants Commission by Treasury officials, even though he chooses to dispute evidence from the Department of Commercial and Industrial Development that Queensland's economy continues to be plagued by recession in several key sectors.

I would be very interested to see the figures that Mr Gunn claims dispute the reported gloomy performance of the Queensland economy as presented in the DCID report. I am not referring to the rubbish that he presented this morning and could not even correctly identify.

Perhaps the Minister Assisting the Treasurer should have taken the opportunity to represent the Premier and Treasurer before the Grants Commission because the Premier failed to take advantage of the opportunity to forcefully argue Queensland's case. The current deliberations of the Grants Commission are the most important for many years and the relativities established will determine the level of Federal funding for Queensland until the end of the decade. Unfortunately, the Premier's brief five-minute address was concerned only with pleasantries and broad generalisations. He constantly says he fights for Queensland but he completely missed this opportunity to forcefully argue Queensland's case before the Commonwealth Grants Commission.

Mr Gunn interjected.

Mr WARBURTON: I wish the Deputy Premier would hear me out. If he does, he will learn some home truths.

The first issue on which the commission challenged Queensland was its claim that it was short-changed and financially disadvantaged by the funding arrangements over the years. The Premier and his National Party Government have been touting round for years that Queensland gets a raw deal from the Commonwealth and more recently has been severely disadvantaged over the Medicare funding arrangements.

The commission rejected the first claim outright. Queensland argued that it was short-changed from 1977-78 to 1981-82. It will be remembered that, during those years, Queensland was the only claimant State in Australia, and had applied annually to the commission for special grants to allow services in Queensland to be funded on a basis comparable with that of New South Wales and Victoria.

The fact that the Queensland Government often diverted those special grants to other uses and failed to improve the level of social services provided in Queensland is another story, but the commission rightly pointed out that it was difficult to sustain an argument that Queensland had been short-changed when, during those years, special grants were received by Queensland for the specific purpose of ensuring comparability with New South Wales and Victoria—the standard States.

Since 1982-83, that is, for the last two financial years, it has been difficult for Queensland to make out a special case that it was disadvantaged owing to the phasing in of the new relativities and because New South Wales and Victoria could make the same claim. If anyone is to blame, it is the Premier himself, because it was he who agreed to the Fraser Government's proposal in 1982 to phase in the Grants Commission's relativity recommendations over a three-year period, saying, as all honourable members will remember, that Queensland had to "help her poor southern cousins"

Using Queensland Treasury figures and arguments—which, by the way, the Grants Commission challenges—Queensland was short-changed by \$125m in 1982-83 and a further \$146m in 1983-84, or \$271m in total, because the Queensland Premier readily agreed to former Prime Minister Fraser's request that the relativities be phased in. The Premier even played the generous benefactor! Now he is complaining that Queensland was done. The Premier certainly was done by the Fraser Government to the tune of \$271m during 1982-83 and 1983-84.

One only hopes that when it comes to next May's special Premiers Conference—the date having been decided at the last Premiers Conference in June—and when the commission's report is discussed, the Premier shows more determination and ability in fighting for Queensland's rights. I am sure that all honourable members will remember that, despite the fact that the next Premiers Conference in May was set down at the last Premiers Conference in June, the Queensland Premier, through his media resources, recently called on the Hawke Government to hold a special Premiers Conference next May.

Although there is an argument that Queensland was done by the Fraser Government because the Premier was so eager to be generous to our "poor southern cousins"—which

the ABS figures on household income show to be our rich southern cousins—Queensland has received a very generous deal indeed from the Commonwealth and the Hawke Labor Government.

In 1983 Queensland received the highest increase in tax-sharing and identified health grants of any State. This year, Queensland will receive \$1,870m in tax-sharing grants from the Commonwealth—an increase of 11 per cent over 1983-84. Every other State received only a 5.5 per cent increase. The generosity of the Hawke Labor Government to Queensland is clearly identified if a comparison is made with Queensland's tax-sharing grant on a per capita basis.

For the 1984-85 financial year, that is, this year, New South Wales will receive \$506 per person; Victoria, \$502 per person; and Queensland, \$754 per person. In other words, Queensland will receive \$252 more per person than Victoria.

If Queensland was paid on the same per capita base as Victoria, it would have received only \$1,245m in 1984-85, or \$625m less than the Hawke Labor Government actually gave it. It is no wonder that New South Wales and Victoria complain from time to time that they are subsidising Queensland.

The Bjelke-Petersen Government in Queensland is becoming increasingly dependent and reliant on Federal funds, and the high level of Commonwealth funds now provide over half of the State's revenues. With those facts—not fallacies as put forward by the Deputy Premier—it is no wonder that the Grants Commission has called Queensland's bluff over its assertion that Queensland has been short-changed.

Queensland has been short-changed neither by the Grants Commission nor by the Hawke Labor Government. The only argument that can be sustained is that the Premier short-changed Queensland in 1982 when he so readily agreed to have the Grants Commission recommendations phased in by the Fraser Government.

As far as Queensland's case against Medicare is concerned, the Grants Commission chairman commented that it was "an irrelevant assertion"—these are his words—to claim that "the Commonwealth Medicare grants result in Queenslanders being disadvantaged relative to other Australians". The Medicare funding grants to the States were determined to meet change over costs and fee losses and it was simply incorrect for Queensland to argue that this resulted in Queenslanders being disadvantaged relative to other Australians. In other words, the notions and arguments that the Queensland Government is peddling for public consumption received very short shrift before the Commonwealth Grants Commission. Nevertheless, despite the commission's comments, the Opposition is very pleased indeed to know that its request to the Hawke Labor Government to continue the special Medicare grant to Queensland was accepted and announced in the Budget.

Another important area on which the commissioners commented was the treatment of the deficits and surpluses run in State Budgets. The Premier and Treasurer had something to say about this a moment ago. Queensland, according to the Australian Bureau of Statistics, has the highest public sector deficit among the States. In 1983-84, the deficit blow-out for the public sector was \$1,741m, consisting of \$835m in the State Budget and another \$914m for authorities outside the Budget having to be covered from loan-funding. In other words, the Queensland Government had to raise \$1,741m on the open market or through security deposit arrangements to balance the Budget.

In an attempt to counter the claim by the Opposition and the Australian Bureau of Statistics that Queensland's public sector deficit had exploded and had to be funded through increased debt, a so-called Treasury memorandum was selectively given to some members of the press. Judging by a "Courier-Mail" article of 21 July, the response not only confirms the Opposition's claims but also provides previously unobtainable figures which, assuming they are correct, need an urgent explanation from the Premier and Treasurer.

But first I will give an explanation of the types of accounting systems used and the Queensland Government's attempt to hide behind terminology and different definitions of the word "deficit". The ABS figures on the State's deficit are compiled using national accounting conventions, that is, what are called functional categories of Government are listed and receipts and expenditures compared. The difference between outlays and receipts is the deficit or shortfall which has to be funded largely through borrowings and, to a lesser extent, through security deposits. The Federal Government also uses the national accounting approach when talking about the Federal Budget deficit. Queensland, however, uses conventional accounts, or line-item budget methods, in which the term "deficit" has a much more restricted meaning. Queensland uses the term "deficit" to denote the extent the Government has miscalculated the outcome of the Consolidated Revenue Fund, the Trust and Special Funds and the Loan Fund.

All State Governments are required to draw up these accounts so they balance, but any variation over the year in expectations of revenues and expenditures may result in a deficit or a surplus in that account. No mention is made of the fact that, to balance the accounts in the first place, massive borrowings had to be undertaken. What the ABS is talking about, what the Federal Government is talking about when it refers to its own deficit and what the Queensland Government should talk about if it were honest is that Queensland had to borrow \$1,741m this year to balance the accounts. That is the deficit which had to be funded through borrowings and security deposits.

If we were pedantic enough to adopt Queensland's line of reasoning in this matter, the Federal Budget this year does not have a deficit. All the Hawke Labor Government has is a \$6,745m borrowing requirement to balance its Budget. So part of the problem is that the Queensland Government is quite deliberately using a restricted and, I might say, old-fashioned use of the term "deficit" to confuse the media and the public. It is trying to portray the idea that the Queensland Government is living within its means and not increasing the State debt.

As the Minister for Industry, Small Business and Technology (Mr Ahern) has just entered the Chamber, for his benefit I repeat that earlier I referred to a document that this morning was referred to by the Deputy Premier and Minister Assisting the Treasurer (Mr Gunn) in an endeavour to respond to a question. I have had the opportunity to look at the material tabled by the Minister for Industry, Small Business and Technology and I recommend that everybody look at the material contained in that newspaper article, because it is not worth the paper it is printed on. The figures that the Minister referred to indicate that the economy of Queensland continues to boom, but if one examines the real facts and the very newspaper clipping, one will see that the figures are irrelevant and outdated.

A Queensland Treasury memorandum confirms the validity of the ABS figures by admitting an interest liability of \$289 per Queenslander, or a \$718m interest bill for public sector borrowings, which is the ABS estimate.

The most frightening aspect of the Treasury memorandum to which I referred is the disclosure that the per capita level of debt in Queensland at the end of June 1984 was \$3,281 per person, or \$8,142m for the State. If the Treasury advice contained in the memorandum to the media is correct, it means a massive blow-out in Queensland's level of debt, which I presume means the gross contingent liability of the Queensland Government. It means an amount of over \$3,241m in 1983-84. At 30 June 1983, the gross contingent liability of the Government stood at \$4,901.9m. Because these figures that have been printed have never been refuted by any Treasury spokesman, is the Government now admitting that one year later, as at 30 June 1984, the gross contingent liability of the Government has blown out to \$8,142m? The Opposition expects the Treasurer to either confirm or deny these figures as reported in "The Courier-Mail". As I have said, I believe the Treasury gave those figures to some people in the media. I ask the Treasurer to explain to the House the reasons for this massive increase in debt.

Mr Ahern: I think you are confused.

Mr WARBURTON: I am not confused at all. I know who is confused; members of the Government are totally confused. They are intent on trying to completely mislead the people of this State and intent on saying that the Queensland economy is not lagging behind that of every other State in the Commonwealth. I am not confused at all and I will continue with the evidence to show that I am right and that the Minister is completely wrong.

If the figures that "The Courier-Mail" printed as a result of that memorandum are true, this Government is putting Queensland into hock at an unprecedented pace and the debt burden on Queensland tax-payers and consumers in the years ahead will be massive.

To explain away the deficit, the Minister Assisting the Treasurer (Mr Gunn) has tried to hide behind the security deposit arrangements that the Government has entered into to fund mineral rail lines and port infrastructure. He has repeatedly tried to give the impression that these security deposits, which do not impose a repayment burden on the tax-payer, account for the total of the State Budget and non-Budget deficit.

The Government itself torpedoed that argument when it was able to come up with only \$646m in security deposits. That leaves \$1,095m of the deficit to be explained.

The Treasurer needs also to explain how much of the \$646m supposedly representing security deposit arrangements was spent in the Budget and the non-Budget sector. Quite obviously, a portion of the \$646m would have been spent through port authorities operating outside the Consolidated Revenue Fund.

Unable to explain away the deficit, the Government made false claims suggesting that the ABS warned against making comparisons between Queensland and other States. No such official warning exists in the preamble to the ABS publication. The whole purpose of the ABS publication on Government financial estimates is to allow full comparability between the States. What does exist is a caveat warning against strict comparability between the States—not that comparisons are not valid or should not be made.

Another false Queensland Government claim is that the leasing arrangements entered into by New South Wales for some capital works understate the deficit because leasing arrangements are excluded from the data. That is completely false, as any simple reading of the ABS publication will show. What it says is that the deficit is reduced in the short run and increased in the long term.

To suggest that the massive borrowings of the State Electricity Commission and other statutory authorities—quangos—do not place a liability on Queenslanders as tax-payers is ludicrous in the extreme. The important point is that Queenslanders are paying out massive amounts in debt charges, and it is irrelevant whether they pay for the debt as tax-payers or consumers. Higher electricity tariffs do not have to be specifically branded as an electricity tax to have exactly the same effect as an income tax, a sales tax or any other form of tax.

These figures presented to the public, not through Parliament or an official statement, but through a memorandum given selectively, as I said before, to some journalists, show just how rapidly Queensland is going into debt and just how irresponsible is this Government.

This massive borrowing spree of the Queensland Government is imposing a massive debt repayment burden on Queenslanders. That is the real position. That repayment burden has already reached \$718m in interest payments alone this year. What will it be next year and the year after?

In fact, judging by the comments of Mr J. D. Reardon, Assistant Under Treasurer (Financial Administration), one wonders if the Government knows what the Queensland debt really is. Let me quote from a Queensland Treasury publication called "Data Q"—

"Another deficiency is that it is not possible to maintain overall accounts for debt or for loans and advances made, because the necessary posting entries to those

summary level accounts, i.e. debt redemption is not interfaced as a single sub-divisional item.

In some cases debt redemption is included under sub-divisional items such as 'travelling expenses, incidentals etc.' How then can the Treasurer quickly know the financial position of the State level public budget sub-sector?"

In simple terms that means: How can the Treasurer know what Queensland's financial position really is? It is by no means reassuring to be told that a portion of Queensland's debt redemption is included under "travelling expenses and incidentals". Perhaps that is why I was told that Government officials could not identify the total \$1,741m deficit calculated by the ABS.

In the same "Data Q" publication, we are told that a working party of Commonwealth and State officials has been set up to bring financial reporting by Governments into line with national accounting conventions. That is something else to which the Premier referred earlier today. The Premier and Treasurer has evidently agreed to participate, and has indicated that the suggestion was both timely and appropriate. The Opposition could not agree more.

It is a case of sweet irony that, by agreeing to the adoption of national accounting standards for Governments, the Premier is agreeing to the national accounting use of the term "deficit" and not the highly restricted definition of deficit that he is trying to peddle at the moment.

The Opposition is supported also by the Brisbane CAE publication, "Queensland Economic Forecast", which sums up the position nicely when it says—

"As in the past the Budget was structured to give the appearance of balance. Nevertheless, if ABS conventions are observed—Conventions which the Queensland Premier and Treasurer has officially endorsed and indicated were both timely and appropriate—if these conventions are followed then the Queensland public sector deficit in 1983-84 will be around \$1,741m."

Compared to the \$835m State Budget deficit in 1983-84, the Federal Budget deficit of \$6,745m, frankly, is relatively modest.

In summary, although the Government strenuously tries to deny the connection between the deficit, as defined and used in the national accounting sense, and the level of the State debt, the First Assistant Under Treasurer fully admitted before the Grants Commission hearing in Brisbane that the State's deficit was linked to the State debt. Another interesting comment by him was that Trust and Special Funds could be transferred to the Consolidated Revenue Fund to balance the books but, to be fair, it was indicated that although this was possible it was not done in Queensland.

So again the evidence of State Treasury officials before the Grants Commission confirms the Opposition's arguments concerning the level of the State debt and the link with the deficit as announced in the ABS figures. To accept the argument of the Premier and Treasurer that the Queensland Budget is balanced and not in deficit is to accept a highly restricted and old-fashioned use of the term "deficit"—a definition which the Premier has agreed in writing should be superseded by the national accounting definition.

Queensland's use of the term "deficit" covers up the massive borrowing requirements of the State Budget. If Queensland's argument is accepted, the Federal Budget also does not have a deficit; all it has is a large borrowing requirement.

Another interesting admission by Queensland Treasury officers at the Grants Commission hearing concerned the narrow base of the Queensland economy and the over dependence on the mining and rural sectors. It was personally pleasing to the Opposition to hear the Opposition being mentioned by name in support of the argument that Queensland's economy was narrowly based. The Opposition has been saying that for years and now Treasury officials are saying it. It was obvious that the Queensland Government had failed to promote effectively the greater diversification of the State's economy.

Queensland's economy was not as diversified as Treasury officials would have liked, and many of the so-called development initiatives of the Queensland economy have been a flop. Queensland's over dependence on the rural and mining sectors places the State in a much more vulnerable position than the more industrial, developed, southern States.

An incredible admission was made by Queensland Treasury officials when they admitted that the Queensland economy had failed to adequately diversify. Given this admission, it is even more amazing that the Government is doing its best to put the mining industry out of business through excessive rail freight charges. The Deputy Premier and Minister Assisting the Treasurer (Mr Gunn) is apparently quite happy to close down the West Moreton coal-fields and to allow hundreds of miners to be thrown out of work. No doubt he thinks that most of the miners live in the city of Ipswich and not next door in his electorate of Somerset. Because of the excessive rail freights charged by the Government, several Queensland mines are not even earning enough to cover debt redemption charges.

The OECD's international energy agency recently warned that the Queensland Government's rail freight policy puts the State's coal industry at a disadvantage and that the adverse effect of excessive rail charges could be considerable because rail rates proved to be a relatively inflexible means of taxing the resource value of the State's coal production. It went on to say that Queensland should be encouraged to adopt rail freight and port charges for coal that are "not arbitrarily determined, but are pegged to actual and publicly known costs of system investments, and treat producers equally in accordance with distance and volume of coal moved or handled in order to avoid abuses and artificial distortions of competition" Even that great body—the OECD—supports the policies of the Australian Labor Party on rail freight charges applicable to coal-miners.

The Queensland rail freight system is so inequitable and economically illogical that the OECD has seen fit to condemn it and warn that it threatens the viability of the industry. However, the Government continues with its thuggish approach to the industry and is apparently quite prepared to see mines closed down, hundreds of people thrown out of work and the economic viability of whole towns and regions threatened. No wonder Treasury officials appeared disheartened when they admitted that the Queensland economy had failed to diversify adequately.

One would have liked to hear their comments on the coal industry; but, at the Government's insistence, that testimony was given in closed session because, we are told, any publicly disclosed information may adversely affect the Government's negotiations with the coal companies. However, the tactics of the Government were admitted, and I do not intend to go into the details of that matter. In fact, it was clear from what was said that the tactic of the Queensland Government was to screw the coal companies a little harder each time round. Obviously, the grip is so tight at the moment that the Government threatens to kill off the goose which has laid the golden egg.

The last startling Treasury admission, which did not come as a surprise, was that the tax concessions announced in the last Budget and designed to make Brisbane the financial capital of Australia had been a complete failure. The Queensland Treasury commissioned a Mr Philip Miskin, a consultant, to report on the effect of the taxation concessions announced in the last Budget and the benefits to Queensland of not having an FID tax. His conclusion was that there appeared to be no increase in transactions through Queensland to take advantage of reduced stamp duties or the absence of FID, and that those companies which could take advantage of channelling financial transactions through Queensland in order to avoid southern FID tax had not bothered to do so.

It was obvious to anyone with any knowledge of the Stamp Act that the attempt to attract business to the Brisbane Stock Exchange by abolishing stamp duty on stock exchange transactions was doomed to failure from the start. I recall well explaining to the Assembly at the time that those measures could be countered and neutralised.

I explained that in 1982 the then Treasurer (Dr Edwards) introduced legislation to prevent the avoidance of Queensland stamp duty by Queensland companies trading shares through Darwin. Victoria used similar legislation this year to stop Victorian companies trading shares through Brisbane, and the back-down of the Queensland Premier was amazingly swift.

The effect of the Victorian and New South Wales legislation would have been to virtually close down the Brisbane Stock Exchange. The whole episode was a fiasco of monumental proportions, and it all came about by this Government rejecting its own Treasury advice and listening instead to National Party stooges. In fact, I am informed that the scheme to abolish stamp duty on stock exchange transactions was discussed by the stock exchange itself some two years ago and was deemed, even at that stage, to be completely unworkable.

Similarly with FID, the Treasury report concludes that there is no evidence of any increase in transactions by companies capable of doing so to take advantage of the absence of FID in Queensland. As the chief economist of the ANZ bank commented at the time, "It wasn't even worth the effort." So much for the financial initiatives of what I regard, from an economic point of view, as a hill-billy Government!

Two other points were raised at the Grants Commission hearings. The commission thought it a little strange that the Queensland Government had made no submission on country water supply and sewerage schemes; yet so much is said about what the Government does for its rural supporters! Unlike many of the other States, Queensland has no scheme to subsidise local authorities for the operating costs of water supply and sewerage schemes in country areas. I would have thought that, for a Government which purports to have its base in the rural sector and supposedly has the interests of country people at heart, it would have been a priority to argue strongly for the inclusion, in the calculations of the Grants Commission, of operating costs for country water supply and sewerage schemes. Instead, that matter was ignored completely in the submission.

It is also odd that Queensland, which has the largest road network of any State, and which faces huge road maintenance costs, did not raise the subject in the submission to the commission. Is it that the Queensland Government does not want Federal money for road maintenance? Does it not care about improving the road network, which comes under so much criticism? Whenever I go outside the Brisbane area, the main point that people raise with me is the appalling state of country roads. That point is raised especially by people in central and north Queensland regions. I am sure that honourable members agree with me.

Mr Scott: What is being done is being done by the Commonwealth under the ABRD program anyway.

Mr WARBURTON: I accept that.

Perhaps the problem is that the Premier rarely uses the roads, and everybody knows why.

Nevertheless, I find it amazing that the Queensland Government did not see fit to argue that road maintenance costs should be a factor to be considered when the Grants Commission decides upon Queensland's disability in this area and recommends funds accordingly. Now Queensland will not get any Federal funds for road maintenance because the Government considered that they were not worth arguing for. Queensland country people do not have a Government that is interested in their problems. They have a Government that takes them for granted and ignores their interests.

Finally, the Grants Commission said that there appeared to be substantial avoidance of pay-roll tax in this State. In comparison with Western Australia, and taking into account the differential pay-roll tax threshold, there appeared to be substantial avoidance of pay-roll tax in Queensland. The Queensland Government's measures to counter tax avoidance appeared to the commission to be inadequate and the mechanism to enforce compliance with the legislation appeared deficient. Queensland was falling down on

taxation enforcement and it was not making a proper effort to counter the evasion of tax through companies splitting. In other words, there appeared to be a huge racket operating in pay-roll tax. The commission asked the Queensland Government to explain. Perhaps the Premier and Treasurer would explain to the House why there appears to be substantial avoidance of pay-roll tax in Queensland where the honest businessman is forced to carry the burden of the dishonest operators.

The hearings of the Grants Commission produced an amazing two days of evidence that torpedoed many of the Government's claims and the disinformation that it has been peddling through the media. My only regret is that Queensland's financial commentators, who associate themselves with the media, were not present to hear it.

I now recap on the points I made about the Grants Commission hearings. The commission rejected the Queensland Government's assertion that it has been hard done by and short-changed in terms of Commonwealth funding. It also rejected the Government's allegation that the Medicare compensation arrangements put Queenslanders at a disadvantage relative to other Australians. The commission actually called this claim an irrelevant assertion.

Queensland's most senior Treasury officials admitted that the State had failed to adequately diversify and that it remained over-dependent on the mining and rural sectors. The State's narrow economic base made us vulnerable to international fluctuations.

Treasury admitted that many of the tax concessions and financial initiatives announced in the last Budget have been a complete failure. Treasury also admitted that the State's deficit was debt-related. I contend that the Government has been playing with words and definitions to try to create the impression that the Budget is balanced and that this has no relation to borrowings and the blow-out in the State's debt.

It was shown that the Queensland National Party Government failed to argue for country people by not even raising the items of country water supply and sewerage and road maintenance costs. We are waiting eagerly to hear the Premier and Treasurer explain away the evidence suggesting massive avoidance of pay-roll tax in Queensland.

It was an amazing two days which exploded many of the claims of the Queensland Government. No doubt the Government's propaganda machine will be required to swing into full operation in an attempt to counter or neutralise the evidence presented by its own top public servants.

Nothing epitomises the stand taken by the Queensland National Party Government in relation to Queensland's ailing economy more than a recent comment made by a senior public servant, who is reportedly conservative and reportedly loyal to his Minister. He said that he was angered by the inability of the Queensland Government to look at some of the serious issues facing this State, especially its economy.

In late April of this year, a Treasury official was reported as saying that on two occasions the Queensland Cabinet spent about two hours discussing the Premier's proposal to buy a Government jet and other spoils of government and only five minutes discussing serious economic issues.

Over recent years the Government has consistently overstated Queensland's economic performance and economic condition. We were told that our economic stability was such that we would not bear the brunt of our nation's unemployment problem. Those who realised the truth of the matter and understood the nature of our State's economy, with its limited manufacturing industry base, were labelled by Government Ministers as prophets of doom and gloom. This morning we heard that repeated by the Premier, who refuses to accept criticism at any time. Those terms were applied to people when they dared to suggest that Queensland's employment position must, in the circumstances, deteriorate.

Queensland's unemployment level rose dramatically from 5.8 per cent in July 1982 to the tragic 11.5 per cent in February 1983. In June this year the unemployment level

in Queensland was still very high at 9.2 per cent. In July the percentage remained the same: 104 300 persons found themselves on the unemployment scrap-heap.

Last month, all States except Queensland and Tasmania—the doyens of the conservative forces in our nation—showed a drop in their levels of unemployment, with Victoria having the lowest unemployment rate of 7.1 per cent, which was more than 2 per cent below the unemployment rate in Queensland.

The level of youth unemployment in Queensland is disastrous. A total of 22 200, or 21.3 per cent, of 15 to 19-year-olds are unable to obtain employment. The level of 21.3 per cent represents a substantial rise on the June rate of 19.1 per cent. While that tragic position prevails, the Queensland Minister for Employment and Industrial Affairs waltzes round the State and holds meetings on the pretext that what he and his departmental officers have been told or will be told will provide yet another of the Minister's plans to right the wrongs, for which his Government must accept substantial blame.

We in the Opposition, and for that matter the more astute officers of the Minister's own department, know why the Government is unable to play its part—and I emphasise that—in the nation's overall economic recovery. It is a good-time Government; it is a Government that has enjoyed the fruits of rolling along with a decade of natural growth; it is a Government that has reigned in a boom period; but it has shown an abysmal lack of ability to handle the State's affairs in a period of economic slump.

Fortunately, the prices and incomes accord initiated by the Hawke Labor Government has brought about a climate——

Mr Gunn interjected.

Mr WARBURTON: That attitude epitomises the general position of the Government. The Minister scoffs at the accord, just as his Government scoffed at the National Economic Summit Conference, and just as it discarded the one body in this country that people look to for economic guidance—a matter that I will refer to shortly. That is typical of the confrontationist attitude perpetrated by the Deputy Premier, in particular, and by his ministerial colleagues generally.

Mr McLean interjected.

Mr WARBURTON: I agree. He is a great advocate of confrontation. He is probably one of the worst I know.

I repeat that, fortunately, the Hawke Labor Government initiated a prices and incomes accord, which has brought about a climate within which most employee and employer organisations have been able to work together in harmony. There is one exception to the rule, however. There always is. As might be expected, it is the Queensland Government, which, through its leader, rejected the findings of the National Economic Summit Conference and followed that by refusing to give Queensland representation on the nation's Economic Planning Advisory Committee. Leaders of industry, leaders of trade unions and leaders of Government throughout the nation got behind it and gave it their full support for the sake of the nation, to assist it to recover after a period of the worst recession since the Great Depression. The one Government that rejected the endeavour to obtain consensus, the one Government that rejected any consideration of co-operating with other people and co-ordinating its efforts with them, was the Queensland Government. It continues that confrontationist line in all of its dealings within this great State.

If one examines the position, one finds that most of the industrial confrontation in Queensland has been in the public sector, in which employees have been historically industrially subdued. They have taken unprecedented strike action as a result of sheer frustration with this Government. For example, never before have the State's nurses, whom we all appreciate for their professional ability, taken industrial action. That

happened not because they were chasing higher remuneration but because of their concern over lack of patient care. We have witnessed this Government's deliberate confrontation with the State Industrial Commission.

Mr Austin interjected.

Mr WARBURTON: The Minister who has just interjected well knows what I am talking about. He is one of the Ministers involved. Ministers of the Queensland Government have refused to abide by recommendations by the commission. More recently, the Premier and Treasurer and the Minister for Employment and Industrial Affairs have publicly lambasted the Full Bench of the State Industrial Commission because it handed down a unanimous decision that did not suit the confrontationalist attitude supported by them.

Let me examine further this Government's industrial relations performance during the last 12 months since the Minister for Employment and Industrial Affairs took office. To the credit of former Ministers administering such an extremely important area of responsibility, they saw fit to take advantage of machinery designed to see that the Minister was advised about problems confronting industry and employees, as well as ways and means by which those problems could be resolved satisfactorily.

Not all honourable members, particularly those who have not been here for very long, would know that a tripartite committee comprising representatives of the State Government, employer and employee organisations, and known as the Industrial Relations Advisory Committee, was set up in July 1973. In 1980, the committee was renamed the State Industrial Relations Advisory Committee. The present Minister for Employment and Industrial Affairs took office on 19 August last year, but he has not seen fit, even on one occasion, to call his own Government-initiated committee together in the interests of industrial relations and industrial harmony in this State.

In early September 1983, the same Minister publicly announced the National Party plan to create a special industrial relations unit designed to provide trouble-shooting advice to prevent industrial disputation. I am sure many members of the National Party will well remember that 10-page document that was launched at Bjelke-Petersen House. The interesting feature of the Minister's public statement was that the unit supposedly had a very important priority and was part of the National Party's overall policy to create employment opportunities and encourage business and industry. Certainly, that overall policy has failed; perhaps it is in the very same category as the industrial relations unit—it just does not exist and, in all probability, never will exist.

Without doubt, Queensland's National Party Government is now seen to be failing in economic management. The fallacious low-tax bubble has burst and in economic recovery Queensland is lagging behind every other State that is co-operating with the Federal Government to ensure that the nation as a whole has substantial economic recovery over the next few years. In its report of June this year, the Queensland Manufacturing Advisory Committee said that indicators of Queensland's economic activity showed a more sedate level of activity than that in the rest of Australia and that business expectations for the future of most major industries in Queensland were not optimistic.

What I am putting forward now is full support for what the Opposition has been saying. The same things are being said by organisations that usually are sympathetic to this Government. The May 1984 Australian Bureau of Statistics figures showed Queensland as losing the biggest proportion of retail sales. The raw numbers showed a 6.7 per cent dip in retail sales in Queensland. Two States recorded falls, but of only .3 per cent and 5.8 per cent, whilst other States had retail sales growth.

Under the heading "Australia Waltzes, Queensland Dips", the June 1984 ANZ Bank's economic analysis showed that in May 1984 Queensland again lagged badly behind the rest of Australia in employment growth. The analysis showed that Queensland posted a meagre .05 per cent rise, which compared most unfavourably with all other

Australian States. Once again, Queensland is lagging, and it will continue to lag unless the Government changes its ways, gets with it and improves its economic performance. The analysis to which I referred stated also that Queensland, when compared with the rest of the country, had consistently lagged behind in job growth.

In March 1984, Australia's permanent building societies broke their monthly lending record. That was good and a significant sign that what the Hawke Labor Government was saying was in fact true—that Australia was experiencing a spurt in economic activity. The States of New South Wales, Victoria, South Australia and Western Australia all produced strong growth in lending; Queensland was the only State to show a big fall in lending.

In May 1984, Queensland's building approvals were down. In the flats and units sector approvals were down by 31.8 per cent.

Building forecaster BIS-Shrapnel stated—

“While private dwellings have shown a steady upturn in the Brisbane area, there is no concrete evidence to suggest that the south east sector is about to experience a recovery.”

It is true to say that applications to construct 23 000 private Queensland houses—up 24.4 per cent on the previous year—were approved in the year ended February 1984, but the important point to make is that Queensland lagged badly behind other States, such as Victoria with a growth of 42.9 per cent, South Australia with 51.1 per cent and Tasmania with 52.5 per cent. Even the Northern Territory was higher with a growth of 34.4 per cent.

Relative to the Queensland Government's poor performance is the recent report by the National Association of Australian State Road Authorities, which fully supported what most Queensland road travellers already know—I have discussed this matter before—that Queensland has the highest percentage of poor quality roads in Australia. Based on road conditions in 1981, the report found that Queensland had Australia's roughest arterial roads and a major backlog in road maintenance improvement. As members heard me say earlier in respect of the recent Commonwealth Grants Commission hearings in this State, this Government did not even seek Federal money for road maintenance, yet the association's report—the chairman is the State's own Main Roads Commissioner—gives a clear indication that Queensland has a major backlog of road maintenance. As I have indicated, the roads are a disgrace and it is about time that this Government accepted its responsibility in that regard.

In July this year “The Australian Financial Review” reported that Queensland employers are upset over creeping State tax rises. The report referred to studies of the impact of higher State charges that were undertaken by a number of Queensland employer organisations. The result showed that considerable behind-the-door increases in charges to industry were contributing to on-costs. One example given was the recent increase of between 8 and 12 per cent in factory registration fees.

The Queensland Government's low-tax State claim is now seen to be what it really is—a very deliberate attempt to con the consumers of Queensland. Although some direct State taxes are below those of other States—I admit that to be the case—this Government rips off much more than the difference by savage behind-the-door increases in Government and quango charges. The people of Queensland know what is going on. They now realise what has been going on for quite some time, because they are the people who pay the bills. The charges that are being imposed and increased consistently are hitting right at the families of Queensland. Let me give some examples. Vehicle registration fees were increased from 1 May 1984, putting Queensland on top of the list. Electricity charges soared another 13 per cent. Stamp duty charges on ordinary house-holders' insurance were increased. The Insurance Council of Australia claimed that this Government did the dirty on it, that it did not keep its promise not to lift charges on household insurance when the Government made that rather shabby deal, before the new fire levy scheme commenced.

Those are but some examples of the con—and I call it that deliberately—that has been perpetrated by the Queensland Government for quite some time. I repeat that this State is lagging considerably behind all other mainland States. That is absolutely contrary to what was said by the Premier and has been stated consistently by the Deputy Premier. This State is lagging behind all other mainland States in the economic recovery.

It is not playing a part in the economic recovery instigated by the Federal Labor Government. It is about time, I repeat, that this Government got its act together, got off its butt and improved its economic performance.

Mrs CHAPMAN (Pine Rivers) (3.36 p.m.): I was quite amused by the reference made by the member for Sandgate concerning Queensland. No real debate was entered into. Of course, we on the Government side are accustomed to Opposition members knocking the State and everyone in it.

In the Federal sphere, it is sad to note that the socialist Federal Government intends to shirk its responsibilities relative to national disasters. National disasters include droughts, to which the people of Queensland are subjected. The State Government has had to cope with droughts knowing that they are caused naturally. The Federal Government's move to cut off help from Queensland people who are affected by natural disaster is a grave one. The other States, as well as Queensland, have objected to that. Without doubt, the Federal Government intends to shirk its responsibilities in that matter.

I am extremely worried about the ACTU's taking control of government. That it is taking control is clear in the move to bring into effect termination and redundancy payments, which will have a disastrous effect on small business.

Opposition Members interjected.

Mrs CHAPMAN: Opposition members do not move on anything without consulting with the ACTU.

The logs of claims were first lodged with the Full Bench of the Australian Conciliation and Arbitration Commission in 1981 by the Amalgamated Metal, Foundry & Shipwrights Union. They were lodged against all employers who were employing members of that union in Australia under the Federal awards. The first hearing was in 1982. Absolutely no publicity was given to that hearing. Needless to say, that put all businesses behind the eight ball through having no recourse against the action about to be taken. The International Labor Organisation then appeared on the scene to have its say. I believe that the ILO is a very left-wing organisation.

Opposition Members interjected.

Mrs CHAPMAN: Undoubtedly, Opposition members would know about that.

Apparently, the then Prime Minister (Mr Fraser) held talks with those people. However, I believe that he foresaw the pitfalls and was remiss in having any further dealings with that organisation.

In the next scene in the great act, Mr Hawke appeared. I need not say that, with that left-wing organisation, Mr Hawke was right on top. He called the summit conference and achieved the accord between the ACTU and the Federal Labor Government. That gave the trade unions a lever and a big chance of being in on the hearings. The Transport Workers Union and several other unions associated with the Federal awards joined in. Four of the Labor States backed the move, and it is now in force throughout Australia following a Federal ruling in the arbitration commission.

The outcome is quite frightening. A number of business people who have contacted me about this matter feel that business will be affected as follows—

1. It takes away the employer's rights to dismiss any employee.

2. These payments, if made law, will deter people from employing apprentices, because, after four years, the pay-outs should be so great, why would they bother to have apprentices or employ anyone on a long-term basis?

I ask: Who pays the wages? Employers will look towards employing staff on contract on Monday and terminating the contract on Friday. I believe that that is happening now in the Labor-controlled State of New South Wales. It must be remembered that such payments would add significantly to the overall costs. The payments would be included in costs to cover people who would be protected by such arbitration. Would this not ensure that there would be a reluctance to employ anyone on a long-term basis? Jobs would be exported overseas, because we would be even less competitive with overseas suppliers.

Mr Campbell interjected.

Mrs CHAPMAN: I am talking as a small business person. The honourable member is reluctant to do anything for small business. The Federal Government, in its recent Budget, did not help small business, and the honourable member would have to admit that.

According to the law, an employer has to pay termination and redundancy payments to all eligible staff members. Therefore, if a person is employed in a job for more than a year and is then made redundant, the employer has to provide four weeks' full pay made up of redundancy pay and termination pay. One asks: Why?

Think of the overall effect on Australia, in which 740 000 small businesses employ 10 or fewer people. Most of those businesses are not financially affluent. If one employee was stood down in each of those businesses, this arbitration law could either close down the business, thus putting all the other people in the business out of work, or even force the business into liquidation.

It must be remembered that this arbitration law is part of an ambit claim. It could have a spiralling effect and create more problems. What control or say has the small businessman in that situation?

Let those who make the rules attend the funerals of all small-businessmen of this nation. Let those who make the rules rear the rest of the employers who are left orphaned by the deaths of the small businessmen who gave their all to keep this nation alive.

Mr D'ARCY (Woodridge) (3.42 p.m.): As usual, the Opposition supports the Appropriation Bill. It is aware of the fact that the Government needs the money.

Today, I would like to broach the subject of the current investment boom in Australia. We are all well aware that investment has become big business. Newspapers contain full supplements on investment, radio stations broadcast program segments on investment, and special publications on sale at newsagents and business journals are full of information on how to invest money. Advertisements are everywhere. We are living in the time of the investment boom, and the most fashionable investment is that of property trusts. Thousands of superannuated Australians are investing millions of dollars in property trusts. It is only in recent months that the National Companies and Securities Commission began to temper the extravagant claims made by these property trusts.

In fact, in a document, No. 121 of 3 March last, the NCSC issued a policy statement, which became law by regulation in this State, revising the registration of prospectuses. It insisted that trusts revise their projections and show interest in compounded terms. Over a long period, those organisations had shown interest in simple terms. Of course, that gave a very false impression of the real interest rate.

Sir Billy Snedden, a former Speaker of the House of Representatives, is chairman of the Australian Property Trust. It was projecting a short-term gain of some 20.7 per cent. When that figure was converted to the interest rate that is usually provided by banks, building societies and other financial institutions, it was found that the real rate

was 11.7 per cent. In the one publication, under the name of Sir Billy Snedden, the poor, old confused investor could see an interest rate of 11.7 per cent and another interest rate of 20.7 per cent. It is only right that the NCSC decided that interest could be expressed only in compounded rates.

Banking companies must spell out taxation liabilities and social security entitlements. The opinion that there is no capital gains tax in Australia seems to prevail, but under sections 26A and 26AAA of the Commonwealth Act, I do not think that that is the case, especially as the Taxation Commissioner reads them.

People have made extravagant claims about social security benefits and their not being affected by trusts. This is just not so. Each case is resolved differently by the Taxation Commissioner. A blanket arrangement with a trust advertisement cannot be made.

Management and other fees charged have been outlandish and they are now being tempered to some extent. The advertisements for trusts must now include full explanations. The gearing costs or the running costs of property trusts on a daily basis must also be explained.

It was necessary for the NCSC to take this limited action because of growing disquiet in the investment industry. Comments such as this one from Paul Coombes in the February 1984 copy of "Rydges" began to appear—

"Nasty cracks are starting to appear in the management and ethics of the property trust industry."

The April 1984 issue of "The Australian Financial Review" asked some very serious questions about Bartlett's property trust, which is Queensland's first listed property trust. That same newspaper, in its issue of 9 August 1984, called on the Companies Security Law Review Committee for separate legislation for the unit trust industry. The Australian Institute of Valuers has recommended to the NCSC that it tighten standards with regard to property trust assets. What has been happening is that property trusts have been upping their own valuations, and such valuations will not stand up to a sale.

The firm of Jones, Lang and Wootton, a leading real estate and property developer, has expressed reservations about the direction of Australia's property trusts. A Queensland investment adviser, Austin Donnelly, has been shooting broadsides at the industry for some time.

I have great sympathy for the investor who is trying to get a fair return for his money in a dog-eat-dog market-place. Most investors are ordinary people trying to protect their savings. Although the Parliament can legislate to give investors certain protection, honest men cannot be made out of crooks. In every industry there are those after the quick dollar. Any boom situation, particularly where money is reorganised in investment, is fraught with danger.

If one looks at the grassroots level of the investment industry, one finds that the Government and the NCSC, by licensing investment consultants, has unleashed upon this State some very unscrupulous operators. Austin Donnelly has described them as licences to plunder. Some licensed investment consultants in Queensland are hell-bent on improving the social status of used car salesmen. Many of them are claiming to be earning salaries between \$80,000 and \$100,000 by receiving commission of up to 8 per cent from some property trusts.

In an article in "Australian Business" of 15 February 1984, Robert Morrison, head of Robert Morrison and Associates which has 12 000 clients and is Australia's largest independent investment advisory service, states that the company charges on a fee-and-commission basis. The initial interview fee is \$25 and \$100 extra is charged if a client wants the company to prepare an investment portfolio. As well, a brokerage fee is received from the trusts that are recommended. This is a very dangerous precedent, and the amount can vary between 0.25 per cent and 6 per cent. It is obvious that the investment adviser would recommend a trust from which he receives a 6 per cent fee.

It appears that the only criterion one needs to gain a licence as an investment consultant is to be out of gaol at the time and not currently an undischarged bankrupt. This is very confusing to the average investor, particularly if he is elderly or has no knowledge of the business world. He feels that the Government is recommending a consultant or giving him the right to seek his business.

The Government and the NCSC should forget about licensing in its current form because it does a great disservice to the industry in general and to the public in particular. Many investment salesmen, who are currently the high-fliers of the investment market, drive the latest Mercedes and lunch round Brisbane with prominent financial writers.

Mr Innes: And in Jaguars?

Mr D'ARCY: No, they are into Mercedes.

Despite the current disquiet about property trusts, one prominent Brisbane newspaper has hardly printed a word that could be interpreted as critical, whereas serious financial publications and southern newspapers are trying to warn investors of the problems that could be faced by some trusts. Publications such as "Rydges", "The Australian Financial Review", "Australian Business", and other serious national publications for some time have had an underlying concern for investors in that particular field. Some of the problems that have been allowed to creep into the industry have been pointed out.

The May 1984 edition of "Rydges" pointed out what people should look for in a trust investment. Those matters have not been portrayed to the ordinary Queensland investor who buys only a newspaper. The magazine states, "Trust investment should contain the following features." These features are not contained in legislation. The magazine states that there should be a high quality, listed public trustee. One could be forgiven, because of the recent failure of Trustee Executors & Agency Co. Ltd and its long standing in the industry, for not having that criteria quite right. The magazine states that cheques should be made payable only to the trustee; that management should have a good performance record; that the quality of the consultant company should be looked at; and that the front-end load or entry charges should be understood. For example, the management fee charged by Rothchilds is 2.5 per cent, whereas the common fee is 8 per cent. Some fees charged by trusts are outlandish and cannot lead to good business practices. It must be remembered that the trust must make a profit before anybody else makes a profit.

Because a buy-back clause is used by most trusts, people should check what would happen if a substantial number of unit-holders wanted to liquidate simultaneously. For how long could the assets be frozen? "Rydges" asks, "Is there a good spread of investments in trust? What is the gearing of the trust?" More than 30 per cent is not considered to be prudent. However, that rate is charged by many trusts in which many elderly people in this country have invested. "Rydges" further states—

"Don't buy into a trust which does not conform to the points made previously. That is asking for trouble."

The magazine further states that there will be myriad trusts coming onto the market to attract the passive investor. All prospectuses are not the same; they vary greatly.

From the way in which trusts are being set up, it is only a matter of time before they will go to the wall. Many of them are hoping to get out by the usual inflated real estate prices and increase in values. Because of the current disquiet about property investment, the newspapers in this State should be taken to task for not addressing the problem. As this public disquiet on investment and property trust grows, I will be interested to see whether the newspaper companies in this State accept their public responsibilities and give the investors of Queensland a chance to spread their investments.

I am aware of one superannuated family that had \$150,000 to invest and was convinced by an investment consultant with a Government licence that all the money should go into one particular growth property trust which had an extravagant prospectus

and about which the agent offered the sun, moon and the stars, mainly because the agent's commission on that particular trust was 6 per cent. The investment was made. For one interview the agent gained a commission of \$9,000 out of \$150,000. Knowing that legitimate business could only operate on a commission of 2 per cent or less, it is difficult to understand how some property trusts can pay such excessive commissions. In fact, commission selling of property trusts is very akin to pyramid selling.

I intend to warn investors in property trusts that all is not well within that industry. I warn them also that property trusts can lose money and, more importantly, that the extravagant claims made by property trusts cannot be substantiated. Property trusts are a medium-risk investment. They have been in existence for a long time. One of the oldest—Australian Fixed Trust—was operating in the 1960s, before it was taken over by the ANZ bank. Interest rates then were lower and return on property was much higher. Interest rates were below 7 per cent, whereas often property would return about 10 per cent over and above purchase price, land tax, rates, renovations and other charges.

Many investors at that time were disappointed with the results achieved by AFT and other trusts. In fact, a net return on sensible investment in real estate property trusts during that period was often less than 5 per cent. It is difficult to see, on projected figures, how there can be any greater return from south-east Queensland property bought at the present inflated price and yielding low returns. The current investment boom in property trusts is based on the premise: "Everyone knows you can't lose money on property." It does not take long for the public to forget the debenture-holdings of H. G. Palmer, Mainline, Cambridge Credit, ASL and, more recently, TEA. Property investment depends for its success on its management and the position and potential of the property.

Another false premise that people accept is that capital gains are not taxed in Australia and that all investment in real estate is a hedge against inflation. I have never been able to convince the Taxation Commissioner that he should forgo taxation on capital gains on investment property. There must be other people in the House who are able to do so. Sections 26A and 26AAA of the Taxation Act make it very clear that, if a property is purchased for investment purposes, it is subject to taxation.

Problems within the industry can be outlined fairly clearly in the following way—

(1) Licensed investment agents steer investors into the riskiest form of investment because it supplies them with the highest commissions.

(2) Establishment costs borne by many trusts are out of all proportion to the total capital.

(3) All prospectuses are based on assumptions that cannot be proven. Investors must remember that prospectuses are assumptions. Many extravagant claims, such as interest rates based on calculations at simple interest, are totally misleading.

On that point, let me refer to the trust with which Sir Llewellyn Edwards is connected.

Mr Casey: The former Treasurer?

Mr D'ARCY: Yes, the one who believed in paper investments. He is certainly in paper investments in some of these property trusts. On many occasions, when I reminded him of the massive amounts of money that the Government was losing on its Evans Deakin Industries investment, he claimed that it was only a paper loss. A paper loss, if one sells, becomes a real loss. That was a \$1m loss to this Government and the people of Queensland.

The trust with which Sir Llewellyn Edwards is connected was one of those trusts carrying a return shown in simple-interest form. In March 1984 the law was changed. Subsequently, that trust inserted within its prospectus a loose-leaf sheet which stated that in simple-interest terms it was a 23 per cent investment. The average investor, thinking he can trust a document carrying the good doctor's name on it, is being duped. The trust has broken the law by sending out in the mail loose sheets in the middle of its prospectus showing simple-interest calculations.

To continue with the problems within the industry—

(4) The assets of a property trust are subject to totally untrue valuations. In a moment I will point out that within one year Australia Wide Property Trusts revalued a property three times from \$4.5m to about \$8m, without the property changing hands.

(5) Management fees charged by trust management in many instances represent a burden far too heavy for the trust to bear. The management trusts make a substantial profit.

(6) Investors do not understand the buy-back provision.

I pointed out what "Rydges" had to say about buy-back provisions that are supposedly enforced by the NCSC. They could be worthless to many investors.

I return to the matter of valuations and point out that it is a major concern of the Australian Institute of Valuers. An example of false valuation occurs in the Australia Wide Property Trust, which, in November last year, bought a property for \$4.15 m. On 8 November 1983, it had been valued at \$5.51m. In the trust's books it is currently valued at \$8.5m. The only change to the property during that period was a renovation costing \$1.2m. The property in question, Royal Mail House in Bourke Street, Melbourne, was purchased from the Hammerson group, which has been involved in property development over the years and is not noted for its generosity in property sales.

The growth of money in many property trusts is a paper growth. In fact, it could be said that many a good valuation is spoilt by a sale. Just before the crash of Associated Securities Limited, I spoke to the State manager about a particular property on its books and made an offer of \$225,000. He informed me that the valuation on the company's books and the cost of the property was \$3.3m. If certain property trusts had to sell their properties on the current market, what would be the shortfall?

Investors are told that property trusts must buy back their units. What is not explained is what happens if the property trust has no money or if all the unit-sellers want to sell at the same time. If a property trust is losing money, at what price is it required to purchase the units? Those who expected that to be at par would be in for a rude awakening.

The Bartlett Property Trust, which is listed in Queensland, today paid 2.14c as its first dividend for three months. "The Courier-Mail" stated that that is slightly higher than the 11c per unit guaranteed for unit-holders for each of the first five years. An interesting point is that the Bartlett shares are holding at par on the stock market, that is at \$1. I have been told by a reasonably reliable source that a buy-back clause secures that parity. If Bartletts, which at the time of launching was oversubscribed, with all its guarantees can only maintain parity, one wonders what the listed price of many unlisted property trusts would be.

On 31 March 1981, "The Australian" posed some very serious questions for the Bartlett group, which, according to the prospectus, used \$4m from the issue to buy land for development and resale. That was to return 35 per cent even in the first year. One wonders how unspecified property developments can be bought, developed and sold all in one year and return 35 per cent. The buying and selling process always takes time, not to mention the development stage. Having been personally involved in the development of property, I would say that Mr Bartlett's group performs miracles of which most developers would be very envious.

In its prospectus, the Bartlett group stated also that, calculated on cost alone, the capital growth would be 8.1 per cent per year for the 10 years that the five initial properties are to be held. That does not take into account the \$1,286,000 establishment cost to be borne by the trust. On that projection, the capital growth would be only 7.36 per cent, not 8.1 per cent.

Management fees of that trust must also be questioned. The manager receives an incentive fee of 50 per cent in excess of the 14c per unit per year and 20 per cent of

the capital profits on the sale of any trust asset. The performance incentive might have been reasonable if such high establishment costs had not already been charged. If, as I suspect, the Bartlett shares are being held up on the market, one wonders whether the group will be able to meet its guarantee for the full five years.

Lastly I turn to the collapse of TEA. A former director of Cannan & Peterson, Mr Tony Peterson, CBE, who was a consultant to that company, resigned from its board of directors on the day before Friday, 13 May, when Australia's financial community was rocked by the news that the 105-year-old trustee company had gone into receivership. At that time 39 Queensland law firms had a total of \$3.3m invested in TEA. With only \$160 invested in TEA, Cannan & Peterson was the firm with the smallest exposure in Queensland. What did not come to light until recently was that Cannan & Peterson withdrew \$600,000 from TEA during the first week of May, one week before Mr Peterson resigned as a director of TEA. Isn't that interesting?

Mr Casey: That same Cannan & Peterson are the solicitors for the National Party, aren't they?

Mr D'ARCY: I believe so. I believe Mr Peterson was also tied up with the Liberal Party.

What are the rules, and who applies them? It was said in "The Australian Financial Review" on 1 June 1984 that no impropriety was suggested in the case of Mr Peterson. I suggest that all the small investors of Australia with money in TEA would not see the refund of Cannan & Peterson's \$600,000 in such a sympathetic way.

All is not well with the property trust industry in Australia. I advise investors to fully understand prospectuses or not to purchase, to deal only with the more reputable firms, to know the real risk involved, and to spread their portfolios.

Last Saturday in Brisbane a horse raced under the name of Fine Cotton. Subsequent happenings have brought to light a most serious situation in the racing industry in this State.

First, that horse should never have started. Anyone who understands the racing industry would know that a horse backed from 33 to 1 to 7 to 2 or 6 to 4 would normally come under the scrutiny of the stewards. Reports have shown that, although the stewards were informed from as far away as Darwin and Sydney that there was more than usual activity going on before the race, the horse was still not fully checked out. One must understand how the system of registration papers works. Owning a racehorse or two, I know. It is not possible to mistake a horse if one has the correct registration papers. If stewards view a horse, they must have access to the registration papers.

I particularly make the point that the punters of Brisbane are the ones who patronise the races, although, according to the race clubs, Saturday crowds have fallen to about 8,000. Those people go to the races for one reason, and one reason only—to be close to the racing scene and follow the money. Why were they penalised? Because of the vast amount of money that went on the horse Fine Cotton on Saturday, the gangsters involved could have been traced had the bets been allowed to go through; but they were not. So why were the punters penalised? Why was the horse not withdrawn? Why was not the race called off after the horse had been disqualified? Why was no race not declared? There is no logical explanation.

If one wanted to know who backed that horse on Saturday in Sydney or in Brisbane, all one had to do was ask Jack Honey. He obviously had the commission. He is the biggest commission agent in Brisbane. The fact is that he would not have paid for those bets at the time. He would have nodded them to book-makers and they would be in the ledgers. Why can they not be traced? What is really going on?

On 20 March 1982, the horse Apparent Heir raced as Mannasong. The horse and its trainer, Bill Stear, were disqualified for life. That was an almost identical case. But

no leads have been pursued. Because the current system does not work, we need a racing commission in this State. With the principal clubs in charge, as far as the stewards are concerned, the current system is not working. I have the greatest respect for the stewards. I have known Andy Tindall and Tommy Murphy all my life but the fact is that they are not getting a fair go. It is obvious that the stewards do not get information or full support from this Government or from the Minister.

The Minister has become the Minister for white elephants. He has spent a tremendous amount on race-tracks, but he is turning people away from them by allowing what happened last Saturday to occur. The average punters were burnt. They have not been given a fair and reasonable explanation of how it happened. It is becoming apparent that, like the Mannasong and Apparent Heir case, the Government wishes it to be swept under the carpet. But this matter is too big to be swept under the carpet. When the truth becomes known, it will be seen that the racing industry in Queensland is in a sad state. The TAB punter is still supplying massive sums of money, and the Minister is tapping those funds for his personal glorification.

It is disgraceful that a high school in my electorate with 820 students—I am talking about Shailer Park, which has been built for six years—does not have a library or an oval. The oval that the pupils use is owned by the council. The sporting clubs that use the oval are screaming because they are spending money on top-dressing and facilities in the knowledge that the oval is being used by some 800 high school students. Only in Queensland could there be a high school with 820 pupils without a library or a school oval. The public sector of education is being totally disadvantaged. When that can happen at a large school in Queensland, it is obvious that all the information supplied by the Government about Budget operations is aimed at misleading the public.

Mr HENDERSON (Mount Gravatt) (4.12 p.m.): I congratulate the Queensland Government on yet another year of successful management of the financial affairs of Queensland. It is pleasing to note that the State ended the year with a small surplus, and it is even more pleasing when it is realised that that small surplus has accumulated since the year 1859, when Queensland became a separate colony.

I intend to place on record my feelings about the recent breaking of the drought. Without doubt, the major contribution towards the economic recovery of Australia took place last year, when the prolonged drought suffered by the nation finally broke. The contribution since then to the economic upturn of the nation has been considerable. Australians are indebted to the rural sector for raising the national income and certainly for its contribution to the national Budget.

I place on record my thoughts about the sugar industry, particularly the industry in Queensland, which is in a very poor state. It is sad to note that, when we are heading towards orderly marketing, some countries throughout the world are engaging in maverick sugar sales. It is also sad to note that many countries hold considerable surpluses of sugar. It is unlikely that the immediate future will see any great improvement in the Queensland sugar industry. To add to the problems experienced by the sugar industry, the recent Federal Budget contained no specific provision for assisting the industry. That was a serious, grave omission.

At this time, I place on record my concern at the recent disaster that overtook the rural industries on the Atherton Tableland. I sincerely hope that the Queensland Government remembers them. I note, again with concern, that the Federal Government has not recognised that those industries experienced a profound natural disaster and that the primary producers on the Atherton Tableland are in need of considerable assistance.

I again place on record the fact that this House recognises the current plight of sheep-farmers in south-west Queensland, following recent heavy rains and earlier droughts. Admittedly, stock losses are not as great as was thought originally; nonetheless, some farmers are experiencing considerable economic hardship. I hope that the Governments of Queensland and Australia recognise the difficulties.

I acknowledge the enormous contribution that the obvious recovery in the United States of America is making to the world economy.

Thanks to the conservative policies of the Reagan administration, we are seeing a downturn in interest rates in America. We have seen a considerable drop in inflation rates and large amounts of money generated by the improvement in industry and commerce.

The United States today is riding on a buoyant attitude of national reconciliation. I look forward to the return to office of President Reagan, because it is a fact that when the United States economy is strong and growing it has considerable and positive inputs into other economies throughout the world.

It is interesting to note that the Hawke socialist Government came to power at the time when the drought was breaking and when the United States was increasingly seeing improvements in its own economic situation. Therefore, one could argue that both of those matters had positive inputs into the uplifting of Australia's economic position.

I point to the contribution that the wage freeze made to the improvement in the economic situation in this nation. There is no doubt that the wage freeze held in check the upward spiralling costs that were associated with the avalanche of wage claims that were flooding our industrial courts. It is interesting to note that Mr Hawke came to power at the end of the wage freeze. He was able to reap considerable benefits from the economic onflow from the wage freeze.

I again place on record my appreciation of the role that the Queensland Government is playing in providing jobs and employment opportunities in this State. Interstate migration to Queensland is still continuing at a considerably high level. Despite the fact that the numbers of migrants are growing, Queensland is still able to provide the vast majority of them with jobs and a secure income. That is a credit to the economic policies of the Queensland Government.

I also place on record that just over 10 months ago—in fact, 10 months and one day ago—the National Party came to power in this State. During those 10 months considerable benefits have flowed to this State. The National Party has shown strong, united and stable government, which has contributed to the economic stability of this State.

Like many people in Australia today, I am a little concerned, and express some disquiet, about the recent Federal Budget. The Hawke Government is proclaiming to all and sundry that Australians will receive substantial tax benefits from the Budget. Yet in the Budget documents it was estimated that during the next 12 months, the total tax revenues would increase by 17.9 per cent. Well could we ask: Where is that increase in money coming from? Why is it occurring? Is it because high income earners will be hit harder? Or could we perhaps argue that, with the introduction of a five-step tax scale, during the next 12 months millions of Australians will find themselves in higher tax brackets and therefore lose any tax benefits?

The Budget papers of the Hawke Government make it quite clear that, over the next 12 months, some people will pay a lot more in tax. In spite of supposed substantial tax cuts personal income tax will remain the main receipt growth area in the 1984-85 Budget. Personal income tax is expected to increase by \$5,678m, or 23 per cent. That growth reflects the full effect of Medicare and the prescribed payments system, but the pay-as-you-earn contributions will also be significant.

As a matter of interest, the Budget papers show that individual income tax is expected to contribute \$30,388m, or 53 per cent, of total tax income. Company tax is next, with a contribution of \$5,380m. It is interesting to note that the recently introduced withholding tax is to contribute \$371m.

It is interesting to observe that the crude oil and LPG excise duty will contribute \$3,695m to the Federal Treasury. Every Australian will contribute to that payment,

either directly when he purchases petrol or indirectly as prices and costs are forced up by increases in transport costs.

The Commonwealth Government, by its misuse of the foreign affairs power within the Constitution, is hell-bent on usurping the powers of the States. It is intruding increasingly into the sovereign areas of State responsibility. One could ask serious questions about the secretive Bill of Rights. The Evans brain-child, which will surface some time during 1985, is presently shrouded in secrecy. Why is it that such an important Bill, with such far-reaching consequences, is not aired publicly before the approaching Federal election for all Australians to see, read, evaluate and comment on? It is simply because the Bill of Rights will be the most blatant attempt by any Government in the history of the Federation to take powers away from the States by the misuse of the foreign affairs clause in the Australian Constitution.

I now comment on the plight of the Independent Living Centre of Queensland. This centre, which is located at the Greenslopes Repatriation General Hospital, is an information display centre for handicapped people. I sincerely hope that all honourable members take the opportunity to have a look at the Independent Living Centre.

The centre provides a service for people throughout Queensland. I hope, by telling the House about the centre, to enlist the support of members to ensure its survival or continuing operation and development. Because of the lack of access to information about available aids, many disabled people are unnecessarily dependent on others and those who look after their disabled relatives face unnecessary hardships. The further the distance is from Brisbane, the more difficult it becomes. The Independent Living Centre seeks to meet this need through its information service, through which people will be able to telephone or write for comprehensive information and advice about appropriate aids to meet their needs. The centre's large, permanent display of aids enables people, in one simple location, to try out a range of aids in a non-commercial setting with the benefit of professional advice. This is the only service of its kind in Queensland.

The Queensland Government provides hundreds of thousands of dollars worth of aids and special equipment to people throughout the State. The Independent Living Centre helps to ensure that the occupational therapist, physiotherapist, doctors and nurses who prescribe and order these aids have up-to-date information on what is available and know that the aids to be provided are the most suitable. The Queensland Government accepts some responsibility for funding the centre. The grant from the Health Department is equivalent to the salary of one occupational therapist in charge. That is \$23,863 in the 1983-84 financial year. However, at least three physiotherapists and two clerical staff are required to meet the existing demands of the centre.

Every other Independent Living Centre is fully funded by the respective State Health Department. I say with some sadness that the Queensland Government's contribution to this State's centre is the lowest in Australia. The Government contributes \$43,360 to the centre. That is the amount that is available to it. In New South Wales, the amount is \$154,000; in Victoria, \$120,000; in South Australia, \$120,000; in Western Australia, \$90,000; and in the ACT, \$40,000.

I make a special plea through the Minister Assisting the Treasurer that the Government look at the centre. Many of us who have cared for and nursed disabled relatives know that this centre contributes significantly to the quality of a disabled person's life. With inadequate funding, the Independent Living Centre is in constant danger of foundering and is unable to help many people who need its services. I feel sure that the Government will be very concerned about this matter because it affects many Queenslanders. I hope that the Queensland Government will do what it can to ensure that the Independent Living Centre of Queensland achieves more adequate and secure funding to enable it to function and develop effectively.

I conclude my comments by saying that I am personally very pleased with the performance of the Queensland Government. However, I note with concern some of the

hidden extras in the Commonwealth Budget and I sincerely hope that, at the coming Federal election, not all Australians will be duped by this confidence trick.

Mr SCOTT (Cook) (4.24 p.m.): It is obvious that the Queensland Government is getting by with a faint hope and a prayer, because that is all that has been expressed by the Government side of the House.

I listened intently to the speeches of the two back-bench Government members hoping to hear a building-up or broadening-out of what the State Government has achieved.

All they can do is stoop to criticism of the Federal Government. It is no good listening to the Premier or the Deputy Premier. Everything that they have said has a ring of untruthfulness about it. I regret that I have to say that. They are trying to make out that Queensland is a prosperous State without any debts. The publications that emanate from the Government create that impression. It is totally false. That was pointed out by the very competent Leader of the Opposition (Mr Wright) and the Deputy Leader of the Opposition (Mr Warburton). The Deputy Leader of the Opposition, in a very weighty and well-researched speech, showed the weaknesses of the Government. He pointed out the debts of the Government.

Mr Gunn interjected.

Mr SCOTT: Of course I did! It was totally true. Everyone could tell by the ring of confidence with which it was delivered. That is far more than the Deputy Premier can do. He shakes and jumps round. I am certain that he will not be thanked today by the Premier. Despite the work that he has done on previous occasions, he will miss out on the little "Thank you" from the Premier today. I cannot see the Deputy Premier occupying his present position for very long.

I listened intently to the contribution made by the Deputy Leader of the Opposition. His speech contained many great truths. He gave a good analysis of the very poor position in which the Queensland Government finds itself.

Mr Hamill: He devastated them.

Mr SCOTT: Absolutely! That is not very hard to do. They are a fairly weak old group of politicians.

I am worried about the other side of the debt that is being tied up in the State. The Government is allowing all the State's assets to run down. When Labor comes to power in 1986 it will have to repair all of those things. It will be able to do that without increasing taxes. It will be able to do that by better management of the resources of the State. The Government is letting everything run down, including schools and housing. All of the assets owned by the Queensland Government are not being properly maintained. It is a pity that Mr Wharton is not in the Chamber, because I wanted to speak briefly about the Dimbulah State School. Since 1981 a promise has been made that the school site would be redeveloped. The young children of Dimbulah are seeking a better education. They have to sit in a draughty building that is virtually falling apart. The building was brought in from the mining town of Thornborough many years ago. It has given service in two centres and should have been replaced long ago. What is the Government doing about it? It is procrastinating.

Mr Gunn: Why don't you make representations on their behalf?

Mr SCOTT: I am pleased that the Deputy Premier mentioned that. I have made the strongest and best representations to the extent that officers in the Works Department and the Education Department have agreed with the representations that I have made. They said that the school has been given highest priority for replacement. However, when the money is divided up, it all goes to National Party electorates.

The problem has been compounded by statements made by the Minister for Works and Housing (Mr Wharton). He said that he has no faith in the tobacco industry. He is trying to make out that the tobacco industry is going downhill. I do not know what has caused him to form that opinion. He believes that everyone in Dimbulah will leave and that the school will no longer be needed. I want to know why a Minister of the Crown does not have a stronger opinion of that area and greater faith in the tobacco industry. Mr Wharton would not have the temerity to say that to me; however, he says that to National Party members. That came out at the National Party conference at Rockhampton when one of the aspiring politicians from the area put the matter to Mr Wharton. I can imagine the exchange that took place. The aspiring politician would have said, "If you don't do something up there, we will never win that seat." Mr Wharton would have said, "What are you on about? Things are going fairly well up there." He probably said under his breath, "If that bloke Scott would leave me alone, things would be a lot better for me." He would have told the man from the National Party, "The tobacco industry is going downhill. What is the use of doing anything about that school?"

Mr Gunn interjected.

Mr SCOTT: When the Deputy Premier is summing up, he can say all he likes. I will be sitting here listening.

That is part of the debt that is being tied up in the State—part of the debt that Labor will have to repay when it comes to power.

There is a brief time available for this debate but, if a member does not rise and say his piece, he has to wait until the Budget debate, which is weeks away. I have some urgent, vital matters to talk about. The Minister for Northern Development and Aboriginal and Island Affairs (Mr Katter) travels through my area occasionally and makes great claims about what he is doing for far-north Queensland. I have tried to analyse just what he is doing and what he is promising. He promises nothing. Not one single item of substance has come forward as a result of the Minister's peregrinations in far-north Queensland, which is so vital to this country. I often wonder when he is in his own electorate. I can see him losing at the next election. He is never in his electorate. He traipses round Aboriginal areas, patting Aboriginal people on the back and telling them how much the Government is doing for them. Then he comes south and says to the grazing fraternity, "We are not doing anything for Aborigines. You don't have to worry about land rights while this Government is in power." How, in goodness' name, are we to handle a man who is so two-faced—each as prominent as it is! He will certainly meet his moment of truth at the next State election.

The Minister for Environment, Valuation and Administrative Services (Mr Tenni) travels round north Queensland making loud noises about the Cape Tribulation road, trying to divide the people of our State. He makes the most divisive statements possible. At a unity and development meeting in Mareeba he embarrassed the Mareeba Shire Council chairman and clerk by making the most political statement about the Hawke Labor Government and mentioning the Cape Tribulation road. He stood up at a meeting called by a non-political organisation and introduced the most blatant politics. He destroyed the faith of sincere National Party people. There are such people, and many of them were at that meeting. They did not like what Mr Tenni did or the way he did it. In the end, the chairman, Cedric Davies, apologised for Mr Tenni's display. He is a most divisive man, who is simply following divisive policies at a standard set by the Premier of this State. It is a shameful state of affairs.

I will do a very brief Cook's tour in the time available and mention towns in my area and the shortcomings in them thanks to the Queensland Government. At the outset I make the point that anything that is happening in far-north Queensland is being carried out by the Commonwealth Government. A great tirade of criticism has been directed at the Commonwealth Government by this Government, which is not prepared to hold its policies up and have them and its achievements available for public display and

examination. It cannot talk about its actions with any degree of pride because its policies are nothing to be proud of. My electorate is forced to rely on the Commonwealth Government. When I drive round the Cook electorate, which I do constantly, I see signs indicating ABRD schemes—the bicentennial road funding. The Commonwealth is fulfilling its commitment in country areas. It is building roads for the people there. The Queensland Government is doing nothing to help people who live in country areas and earn so much for this State and play a vital part in decentralisation. The only expenditure up there comes from the Commonwealth Government, which also is spending money in the Aboriginal communities. I will have more to say about that.

Roadworks are required in Cooktown. A hospital, which was promised by the Queensland Government, is sorely needed. Additional police and an additional police vehicle are required. Wharf redevelopment is needed, but the Government is doing nothing. At Chillagoe, roadworks and a new hospital are required. Not sufficient money is being spent on national parks. The small towns of Irvinebank, Petford and Almaden urgently require road development. What is not being done by the Commonwealth Government is not being done at all. At Mount Surprise and Georgetown, health matters deserve attention. I have written to the Minister for Health, who was in the Chamber a short time ago, about the need for a nursing sister at Mount Surprise. Apparently, one cannot be provided. The Government is not prepared to spend the money necessary to provide health services for that area. A water supply is urgently required at Karumba. The people there know that the Queensland Government is aware of the problems and that it will do nothing for them.

In his contribution to the debate, the member for Sandgate (Mr Warburton) brought out the fact that the State Government has not applied to the Federal Government for funding under the country water supply grants. Why not? It is a dereliction of duty on the part of this Government not to go to the Commonwealth Government for these very necessary moneys to develop the areas. The Government is not doing its job.

In Weipa, road construction is needed, education facilities need to be expanded and an extra doctor is required. The Government is doing nothing about that.

Because the Government is not bringing in self-management of Aboriginal communities, the people have been let down. The Government has not yet brought in the deed of grant in trust. The Aboriginal people do not know whether they are getting title to their own land. On the one hand, the Government tells Aboriginal people they have the best land tenure of any group of people in Australia; on the other, it tells graziers that it will not give Aboriginal people land rights. Nobody has even seen a deed of grant in trust, so Aboriginal people cannot be told what they will get. Housing on Aboriginal communities is an utter disgrace. That is part of the debt that is being racked up by this Government. It is not spending money and in due course that debt will have to be paid. All the Aboriginal communities are in the same position. In the Torres Strait area the Government is not even providing basic plumbing in the houses.

I have to mention what amounts to a gross misspending of public money that has occurred because the Under Secretary of the Department of Community Services is traipsing up and down the State between Brisbane and Cairns. I would like to know the reason for that. He is constantly making flights between Brisbane and Cairns for a particular purpose. Regularly he is met in Cairns by a lowly female officer of the Department of Community Services. When he departs on Sunday evenings, he is seen off again by that same lowly female employee.

Because public money is being spent on a very questionable service, the Premier should know about this. People in the Cook electorate want to know what is going on; they want to know what is the relationship between these two people. The Aboriginal and Torres Strait people are laughing about a senior public servant carrying on in this fashion. He has been seen in the company of that person at Karumba, Normanton, Kowanyama and Bamaga, just to name a few places. I have seen the man in those areas.

When the Commonwealth Parliamentary Tribunal referred to de facto entitlements, the Premier waxed eloquent against them. However, the Government is condoning this sort of behaviour. It is a shame and it must be stopped.

Hon. Sir WILLIAM KNOX (Nundah) (4.38 p.m.): I enter this debate particularly to speak about the effects of the Federal Budget on a great number of people in the community. For some weeks prior to the delivery of the Budget, the Federal Government saw fit to massage the media in a number of areas to try to condition the public at large into believing that the Budget would be helpful to them in that it would give them some relief from the severe increase in taxation that occurred in the last financial year. Despite the fact that Australian tax-payers had been promised effective tax cuts, last year they paid an extra \$22 per week.

The Australian Government conditioned the electorate by well-managed leaks, which, I might say, in the past both in this nation and in the United Kingdom would have cost Treasurers and Chancellors of the Exchequer their jobs. The Commonwealth Government released information of a highly confidential nature, even to the point of releasing figures from unidentified sources, which proved to be correct when the Budget was published. I find it extraordinary—and I am sure that many people in public life in the parliamentary system in this country also find it extraordinary—that so much of the Budget was published before it was brought down in the House. In previous years that would have automatically cost the Treasurers of the day their jobs.

Apparently that does not matter any more to the people who run Australia today. They have no regard at all for their responsibility to the Parliament, the institution to which they owe first responsibility; nor do they feel responsibility or culpability for the information that they trail round the countryside.

Now that one looks at this Budget in the light of day and without the euphoria of the television presentation, one finds that it is indeed a hoax designed specially to prepare the electorate for an early election, for things that may happen and things that will happen from 1 November onwards. It will not fool the people at large.

At present we are one of the highest-taxed nations in the world, particularly so far as income tax is concerned.

An Opposition Member: Absolute nonsense!

Sir WILLIAM KNOX: It is not nonsense. The OECD figures published recently confirm that. The honourable member, who was a research officer for a Federal Minister and had all those figures at his fingertips, knows that it is not nonsense. Australia is one of the highest-taxed countries in the world. The tax rate for the average Australian tax-payer today is by far the highest since the end of World War II.

Let me look at how this tax burden is spread round the countryside. One hears a lot of talk about robbing the rich to pay the poor—redistributing incomes. Opposition members know that of a population of 15 million the number of people in the rich bracket is infinitesimal. It should be remembered that about 80 per cent of the tax-payers of this nation are in the middle-income bracket. Then there are many people who are technically below the poverty line, and they, of course, should be assisted.

But when one looks at this Budget to see what assistance is given to those people in need, there is absolutely nothing for the family, nothing about child endowment, nothing on the tax forms about relief for dependants, nothing to help in education for the family and nothing to help in relation to transport or any of the other areas that matter so much to the family unit.

Mr Innes: Or to pay for health.

Sir WILLIAM KNOX: Because they have seen it in their pay envelopes every week, the tax-payers of Queensland now know that through the 1 per cent levy they are paying for something that they got without having to pay a year ago. That 1 per cent levy has

virtually sounded the death-knell of the free hospital system in this State. The ALP was responsible for that. We ought to keep reminding Opposition members of just what they have done. I know that Opposition members do not like——

Mr Hamill: Where did the money come from for the free hospital system?

Sir WILLIAM KNOX: Nobody is under any misapprehension about that. The tax-payers paid for it, but they did not have to pay the extra 1 per cent levy to subsidise Victoria and New South Wales, which is exactly what is happening now through the Medicare levy.

Mr Hamill interjected.

Sir WILLIAM KNOX: The honourable member is ashamed of it; he does not want it to be publicised.

I now want to deal with the so-called tax rebate for the average tax-payer. What nonsense! Every week, every month and every quarter that goes by will see the value of that rebate in real terms disappear out the door, and in the 12-month period from 1 November every single tax-payer will discover that he has paid more income tax—a substantially greater amount—than he did in the previous 12-month period. It is just a hoax. It is a pay-as-you-get tax deduction. As soon as it is taken off notionally, it has to be paid for in hard cash at the other end.

As for the rich paying for the poor, everybody is simply recycling the money. The rich do not have these problems. They have other ways of handling it.

Opposition Members interjected.

Sir WILLIAM KNOX: Opposition members know that perfectly well, as do Mr Hawke and Mr Keating. It is absolute nonsense for Hawke and Keating to say to the people of Queensland that they are robbing the rich to pay the poor, because it is the middle-income people who are providing the funds for the running of the country. It is a complete falsehood to say to the people that they are to get a tax reduction.

What help did small business get from the Budget? Nothing whatsoever! It got no relief. There is no possibility of small business accumulating wealth to look after the problems of depreciation, the problems of renewal, the problems of expansion or the problems of maintaining employment. The Federal Budget does nothing to help small business.

All that the Federal Government did for primary producers was to thank them for having the drought broken so that income to the Federal Treasury would be much greater. After using the income from the primary producers, the Government has done nothing to help the sugar industry in Queensland. I have no doubt that Labor members representing the sugar areas will know all about that in the next election.

Because of an increase in tax on the local product and the reduction of excise on imported wines, the fledgling wine industry in Queensland was killed before it even got off the ground. That primary industry has suffered a tremendous blow.

All that is typical of what is happening; and as for the haves providing for the have-nots, without doubt the have-nots will simply be recycling the funds.

I will now deal with the accord, and I remind the House that several million dollars of tax-payers' money have been spent on the running of television advertisements to promote it. Again, it is an attempt to hoodwink the trade union movement and its influential members into believing that the arrangements made between the trade unions and the Federal Government are in the interests of trade union members. The influential members of the trade unions are intelligent, well-informed people. They will not be hoaxed by money being spent on television advertising to try to make them believe that all is well and that they need not worry about no increase in pay because there will be an increase in tax rebates to compensate for that.

The accord is a travesty of justice for the people who are entitled to look after themselves in a better way.

After having gulled some of the leaders of the trade union movement into believing that they are being looked after, the Federal Government expects those same people to support it at the forthcoming election. Honourable members have already seen restlessness in the trade union movement because of the hoodwinking carried out by Mr Hawke and certain leaders in the trade union movement. Their plan will not work, and Opposition members know that it will not work. In a short time, the workers will see from their pay envelopes exactly what has happened under the Federal Budget.

The sooner the media in this country make a critical analysis of the arithmetic involved in determining what will be in the pay envelopes in three months, six months, nine months or 12 months from now, the sooner will they and the public be well-informed about the situation. They should be doing that rather than repeating the garbage emanating from the offices of Mr Hawke and Mr Keating to try to convince people that all is well. All is not well. More and more people are getting into the millionaire rate of tax. Ordinary people who never in their lives would have dreamt that they would move into the millionaire tax bracket are now doing so. They are moving into the 46 per cent and over bracket.

I guarantee that, under the present taxation structure and because of the way in which the Federal Budget has been framed, in 12 months from now the majority of taxpayers in Australia will be paying more than 46 per cent of their gross income in tax. They will then discover the sort of hoax that has been perpetrated on them in the Budget.

Mr BURNS (Lytton) (4.50 p.m.): After having listened to Government members today, I realise why Bob Hawke is rating 74 per cent and why Andrew Peacock and the leader of the National Party—I cannot even remember his name—are going down the drain. It is obvious that the members of the Liberal Party and the National Party in this Parliament are in a state of sheer panic.

Mr Innes: Tell us why you lost Stafford.

Mr BURNS: I will tell you why we lost Stafford. The National Party was too lazy. It did not care about the old people.

Mr DEPUTY SPEAKER (Mr Row): Order! I ask the honourable member to address the Chair.

Mr BURNS: I will speak through you, Mr Deputy Speaker. The National Party was too lazy. It could have cared about the old people of Stafford. It did not even go out and try to pick up electoral visitor votes. A little Liberal bloke snuck in ahead of the National Party. The Liberals won Stafford on the preferences of the National Party. The National Party put the Liberal from Stafford in this Parliament. Gygar is Joh's man in the Parliament; he is not ours.

It is time for this Parliament and the people of Queensland to closely scrutinise the operations and machinations of sections of the legal fraternity in this State. There is no area in my dealings with my constituents that creates such anger and frustration as their complaints of incompetence, indifference, laziness, overcharging and arrogance on the part of lawyers whom they have paid to represent them.

To refer their complaints to the Justice Department is useless. To write to the Queensland Law Society is a cruel joke. One of my angrier constituents aptly referred to the Law Society as the lawyers' RSPCA—the society for the prevention of action against solicitors, or the solicitors' protection society.

My frustration in dealing with sections of the legal profession came to a head when I read that the State's leading barrister, in another courtroom spectacular, had talked the jury into a not guilty verdict in what is now known as the Walsh case. At the time,

I thought it was just another example of people with money buying the slickest operator to defend their son. "And why not?", I asked. A parent, if he or she is any good at all, should be prepared to stick up for his or her own.

But Walsh's father, after years as a leading solicitor on top money, was not picking up the bill. You and I were, Mr Deputy Speaker. The tax-payers of this State and nation were asked to dip into their pockets to defend the public-school-educated son of a top solicitor. The meat-workers, the wharfies, the unemployed and the widows and pensioners of this nation who pay into the tax system were sharing the Walsh family's load.

Now, I realise that Mr Sturgess would be paid only the set rate by the Public Defender's Office. But I also realise that most young men charged with a major offence would not have a father steeped in law, part of the old-boy system, the legal upper crust, who could induce the State's top legal performer to take their case at public expense and make himself available to travel to the accused's home in the middle of the night.

I reacted to the anger and outrage that was expressed to me by all those frustrated with the system of justice—or should I say 'law'—in Queensland. I hit out on behalf of those who have been refused legal aid or received second-class representation by lawyers paid by legal aid. The money has come from the tax-payers of this State.

Mr DEPUTY SPEAKER: Order! I remind the honourable member that we are discussing Supply.

Mr BURNS: As you, Mr Deputy Speaker, will know, Erskine May has ruled that, under an Appropriation Bill, a member can speak on any matter.

Mr DEPUTY SPEAKER: Order! I have asked that a member speak to the subject-matter under discussion.

Mr BURNS: The subject under discussion is legal aid and the money that is paid in legal aid. I am speaking about a misuse of public money of this State.

"The Courier-Mail" reported what I said at the time, and I shall read it. The newspaper reported—

"The Labor Member for Lytton, Mr Burns, last night urged the State Government to review its guidelines for the provision of free legal representation."

That money comes out of the money that we all pay in taxes. It continued—

"Mr Burns spoke out because of his 'outrage' over the Supreme Court case involving schoolboy, Peter James Walsh, who was found not guilty of attempted murder on the grounds of unsoundness of mind.

Mr Burns said that instead of talking about raising the drinking age, the Government should be looking at how it provided legal help.

'When it comes to lads in my Electorate, the representation they get is the cheapest,' Mr Burns said. 'Tell me, if you were black, Vietnamese or a poor meatworker from Cannon Hill whether you would get a person of Mr Sturgess' reputation.'

'Why is it that the rich can get first-class representation while the poor get second-class help, sometimes from a person who has been out of law school for only six months?' "

I was surprised to read the next day that Mr Sturgess had questioned my mental capacity and said that I was idiotic. I am not a big enough mug to fall for some of the things that he is trying to do to me now. He is trying to get me to talk about suing him for what he is saying so that he can get me before the old-boy system in the courts. I will play him down here on my wicket. That will show who is smart and who is a dill.

Mr Sturgess said that he would even defend me. His attack made me wonder why he was so agitated that he had to resort to personalities. I resolved to research the case and study Mr Sturgess and Mr Walsh.

The Crown case was that Walsh went to St Pauls Town Inn and Bonaparte's Hotel with about 60 schoolmates on the night of 30 July to celebrate school football victories. According to the Crown, Walsh went home at about 2.30 a.m., got a knife out of his kitchen and went to Miss Ryan's house next door.

Mr DEPUTY SPEAKER (Mr Row): Order! The honourable member is right off the subject-matter under consideration. He is talking about something that is far removed from the Appropriation Bill. I will not let him continue in this vein.

Mr BURNS: You will have to throw me out, Mr Deputy Speaker, because Erskine May states that, in a debate on an Appropriation Bill, a member can talk about any subject that relates to financial matters, and the legal aid system is in that category. I am talking to the Bill. I believe that I am correct, because I have looked through Erskine May. This argument has been heard before, and your ruling is totally and utterly wrong.

Mr DEPUTY SPEAKER: Order! I have not given a ruling yet.

Mr BURNS: If you give a ruling, Mr Deputy Speaker, I will have to disagree with it.

Mr DEPUTY SPEAKER: Order! The honourable member will direct his comments to the Bill.

Mr BURNS: I am talking to the Bill. I am talking about this case and I claim that it was a misuse of public money. The case should not have been paid for out of the public purse. The money that is collected in taxes in this State should not be used in that way. I am saying that everybody should be entitled to the same justice and treatment as that given to Walsh out of the public purse. I am trying to state my case. It is easy to tell that the members of the legal profession in the back of the Chamber do not like it, because they are whinging.

Let me go a little further. According to the Crown, Walsh knocked and woke Miss Ryan up. According to her he stabbed her in the back.

Mr INNES: I rise to a point of order. I take exception to the reflection cast upon me as a representative of the entire legal profession. I am not whinging. It is quite despicable for the honourable member to deliver this dishonest diatribe and to cast reflections on members of this House.

Mr DEPUTY SPEAKER: Order! I accept the honourable member's point of order. The honourable member for Lytton will not refer any further to a matter that is so far removed from the Appropriation Bill.

Mr BURNS: I will not call him names any more.

The lad was then defended after he stabbed this woman four times in the back.

Mr DEPUTY SPEAKER: Order! If the honourable member wishes to talk about legal aid, I suggest that he deal with legal aid.

Mr BURNS: I am talking about legal aid. You will have to throw me out of the House, Mr Deputy Speaker, if you do not intend to allow me to complete my speech. I intend to make my speech in accordance with the Standing Orders that have existed for the 12 years that I have been a member of this Assembly. Your ruling is completely different from rulings that other Speakers have given whilst I have been here. I am going to continue with my speech or you will have to remove me from the Chamber. I intend to continue with a speech that I know is acceptable according to Erskine May.

I do not think that even members who do not accept what I am saying in my speech would agree that your ruling is correct.

A Government Member: Wayne Goss doesn't agree.

Mr BURNS: That is up to Wayne Goss. I am sure that he does agree with me.

I go on. This lady had stab wounds in her back and marks on her right shoulder. Walsh had kicked her in the face and ground her face into the carpet, leaving the imprint of his sandshoe there. We have been told that this lad was defended at public expense. Miss Ryan said that Walsh was in a frenzy. She said, "I was shocked. I was disbelieving. There was no reason for it. I knew the boy. He kept saying he would kill me. He tried to rip at my nightie. He spoke in a firm voice. I think he had control of the situation. That was what frightened me."

A man or a woman from the legal profession might view the case differently, but I think that Mr Walsh and his legal adviser produced a show in the court-room that was more spectacular than the opening of the Commonwealth Games and more fanciful than Disneyland.

I believe in the adversary type of trial in which defence and prosecution counsel are pitted against each other in a do-or-die struggle. Walsh and his legal advisers produced a performance worthy of an Academy Award. Mystery witnesses, educated or trained testimony, planted new stories, drugs and LSD were paraded in an effort to bring down the best possible verdict that would allow Walsh to evade penalty for his terrible crime.

In the days after Walsh was arrested—nearly 12 months before the trial—the Grosvenor school of law, which holds its classes in the bar of the hotel nearest the courts—the classes are made up of leading lights of the legal fraternity—agreed that the only defence for Walsh was to plead that he was not responsible for his actions because he was affected by drugs, grog, etc.

Surprise, surprise! Mr Sturgess, who was sitting in Walsh's home in the very early hours of the morning while Walsh was refusing to allow police to take blood and other tests to prove his alcohol or drug intake, based his whole defence on these facts—

(a) That when he attacked Miss Ryan, he was in a condition of stupefaction or intoxication.

Mr HARPER: I rise to a point of order. The honourable member is misleading the House. The statements that he is making are not accurate. I would ask that he withdraw inaccuracies concerning matters of which he has no knowledge.

Mr BURNS: Mr Deputy Speaker, he cannot tell me that the statements are inaccurate. I have read from a transcript of what Mr Sturgess said. The transcript states that, when Walsh attacked Miss Ryan, he was in a condition of stupefaction or intoxication.

Mr INNES: I rise to a point of order.

An Opposition Member: You are touchy.

Mr INNES: I am touchy.

The member for Lytton asked in what way is it said that his statements are inaccurate. The honourable member made grave and gross allegations against Mr Sturgess of his taking part in some premeditated, prevaricated defence cooked up in a hotel. It is absolutely wrong to say that Mr Sturgess was in the home in the early hours of the morning when the boy was being counselled not to give his blood or to provide a sample. In fact, three doctors were called to take samples.

Mr DEPUTY SPEAKER (Mr Row): Order! Does the honourable member require a withdrawal?

Mr BURNS: What for? I have not done anything to him. If I am supposed to have defamed somebody in this Chamber, he cannot ask me on behalf—

An Opposition Member: There is no point of order.

Mr BURNS: There is no point of order.

Mr DEPUTY SPEAKER: Order! I am running this Chamber.

Mr INNES: Mr Deputy Speaker, as we are trying to deal with honesty—in all honesty, I am not personally offended. I asked the member to withdraw his statements because of the inaccuracies in them.

Mr BURNS: I did not attack Mr Sturgess for his actions. I was attacking the legal system. I was referring to the unfairness of the system that allows one lad to obtain a Sturgess-type defence and another lad a different type of defence. I can depart from my notes and make my speech off the cuff. In today's press appears a report of an Aboriginal lad in Mount Isa who was charged and found guilty of an offence. He did not have one of the State's top barristers.

Mr HARPER: I rise to a point of order. The honourable member is trying to evade the point of order that was taken by me previously. As the law officer for Queensland, I find it personally offensive for a member to make suggestions and claims that are totally inaccurate. The fact of the matter is that Mr Sturgess endeavoured personally to obtain two Government medical officers to take blood samples. The father of the accused unsuccessfully attempted to have blood by another person. The honourable member has suggested repeatedly——

Mr DEPUTY SPEAKER: Order! Does the honourable member ask for any words to be withdrawn?

Mr HARPER: I ask that a number of words be withdrawn because they are personally offensive to me as Attorney-General of the State. They are misleading to the Parliament.

Mr BURNS: I do not have a great deal of time left. I withdraw all the words personally offensive to the honourable member. He can tell me later the words that he finds offensive and I will withdraw all of them. I want to finish what I have to say.

Walsh's defence was based on these facts——

(a) That when he attacked Miss Ryan, he was in a condition of stupefaction or intoxication;

(b) That this condition deprived Walsh of his capacity to control his actions and/or his capacity to know what he was doing was wrong; and

(c) That this condition was involuntary, having been neither sought nor foreseen by Walsh.

In court, the accused Walsh admitted——

"I commenced drinking in Grade 10. I would drink at Broadbeach and Mooloolaba; every Saturday night I would go to hotels in the city."

So this lad, whose parents could afford to send him to a top public school and presumably subsidise his regular weekly Saturday night trips to the pub and his penchant for taxis back and forth between home and the pub, left the ordinary man and woman in the street to pay for his defence.

Our top lawyers set out to prove that this young man, who had been regularly drinking illegally for quite some time and who had never previously attacked a woman, or at least never attacked his neighbour and tried to kill her, was not guilty, because he was drunk or drugged and, even though he had been boozing for hours with his schoolmates at the St Paul's Town Inn, his condition of drunkenness was involuntary, having not been sought by Walsh. I say, "What a farce." I think many Government members agree.

One would wonder what grounds the Government has for keeping Walsh in custody if he was insane because of involuntarily drinking or taking drugs, etc. If that was the only reason for his insanity and he did not deliberately drink, then why is he locked up? Is the reason the Government is holding Walsh that it does not believe, or accept,

what many believe was a prefabricated defence and that the Government has reason to believe that his insanity or murderous actions were due not to beer but to more deep-seated problems? Let the Minister confirm or deny that Walsh was a prime suspect in the Broadbeach case in which a young woman was viciously attacked on the way home from work by a young, baby-faced blond kid. Police circles say Walsh was on the Gold Coast at the time and was a prime suspect.

Lawyers have drawn my attention to the fact that Mr Sturgess is well known as a police friend and that many of them will go out of their way to help him. I have received a tip that there is something suspicious about the evidence given by Detective Maynard in the Walsh case.

The Minister may recall that he gave evidence that there was no LSD in the area at that time and that he was later recalled and gave evidence that the Drug Squad had, in fact, carried out an operation as a result of which a person was arrested in or near Bonaparte's at about the time of the Walsh incident and that the person was dealing in LSD. My informant suggests that it would be well worth a question to seek the name of the defendant—and I ask the Minister to find it for me—details of the minute of conviction (date, court, penalty, etc.), details of place of apprehension and any other general information as to the circumstances, the suggestion being that the information will not confirm that new testimony.

Some lawyers had also pointed to what has been described as the inefficiency of the prosecution's case. I do not know whether that is true. I cannot make a valid decision on these points, but they are matters that have been raised by the community and make up part of the reason for the grave public disquiet at the results of the Walsh trial.

Let me point out some other matters that cause grave concern. No-one has been more badly treated by the defence in this trial than Gary Balkin, his family and the staff of Bonaparte's Hotel. From my reading of the transcript of the trial, the defence lawyers would not give a damn if they destroyed Balkin, closed his hotel and, in so doing, caused the staff to lose their jobs. They did not care a damn about the rights of those persons. They were so intent on getting Walsh off, so intent on winning, that Balkin and Bonaparte's were dispensable. Untold damage was done to a good family name that has a top reputation in the hospitality and liquor industry. Balkin had no chance to defend himself. His pub was pictured as the location for an orgy of schoolboy drinking. Neither the Crown nor the defence showed any interest in determining whether Bonaparte's or its staff had not acted correctly.

What the transcript and my investigations show—and I think that the Minister will find it is the truth—is that 40 or 60 young men, mostly under age, had been drinking heavily for some hours at the St Paul's Town Inn. They rolled down to Bonaparte's, where the staff, on becoming aware of these young drunks complete with stubbies, champagne glasses and all the rest, tried to herd them all outside. No doubt some escaped the staff. Because of their numbers, a doorman was also put on duty to keep them out.

The young men involved were interviewed next day by Walsh's father and other solicitors. One wonders whether they were encouraged to help save their mate. It is natural that they would. Most admitted that they were drunk, but there was a remarkable similarity, or could I say "educated and trained appearance", about sections of their testimonies. One wonders how lads—let us remember that they were 15 or 16 years old—who had drunk 8 pots or who were drinking from 6.30 at the St Paul's Town Inn, having admitted they were drunk and stumbled down to Bonaparte's, could give such valuable defence testimony 12 months later. Much of the evidence clearly established that Walsh was outside on the footpath for quite some time. Witnesses reported seeing Walsh outside from about 11 until about 12.40 and yet, on the evidence of these kids and a publicity-seeking crook named Breslin, the hotel was pilloried.

The criminal justice system leaves a lot to be desired if good people's reputations can be destroyed without any possibility of defending or at least putting their case. That is what happened to Balkin. That is what happened to those who worked at Bonaparte's.

Let me turn to the mystery witness, Breslin. The word is that Breslin has been found guilty by the courts in the past. Breslin states that he was at Bonaparte's on that night until about 10.30 p.m. and that his friend, a victim of a spiked drink, wanted to fight the hotel staff and other hotel patrons. The staff of the hotel state that there were no rough reports or trouble on that night, but they were not called by the prosecution to refute this homosexual crook's testimony.

Breslin said it was 30 July, because it was the last Saturday night in July in a bar called Josephine's Bar. There is no Josephine's Bar, only a most respected restaurant called Josephine's on the top floor.

I would like to know whether Breslin, at the time he gave evidence, was on a charge relating to administering a stupefying drink to a minor who was handcuffed and chained to his bed. If that is true, was Breslin, whilst on this charge, reported to have been interviewing young boys and demanding Government aid to provide a form of shelter for young people? Is Breslin involved in some way as an officer of the Prisoners' Aid Society? Is there disquiet over his role in this society? Was Breslin offered any inducement to give evidence for Walsh? Has a person hearing charges against Breslin made some orders restricting publication of court details?

There are many matters about Breslin that cause concern. From my investigations I must say he is not one I would accept as being a reliable and valuable witness. To give Breslin some form of credibility during the trial and especially during the period when he was such a vital witness, someone arranged a page 3 story in "The Courier-Mail" in which this businessman, who had stayed in hotels around the world and was now the new Sheraton Hotel's first guest, was given prominent coverage, quite a convenient way of giving Breslin a more respectable image than he deserves.

I could go on, but I think I have shown why over 100 people rang me after I made my statement.

I am not angry or crooked on Walsh or his legal advisers; they did no wrong. Walsh used the system we have created and, although we might disagree violently with the methods, because of the advisers' ability, contacts, friends and position of influence, they have been able to obtain for young Walsh what many other parents may never be able to achieve for their sons and daughters when in trouble.

A lawyer's son, a rich man's son, or the son of the one who is well-off, with top advice and top connections, can—and does—receive a fairer go than a poor migrant, an uneducated Aborigine or a battling meat-worker. That's how our system works, and it stinks!

There is in prison a lad whose barrister of two months withdrew six days before his murder trial and was replaced by the Public Defender. The prisoner objected and asked for more time, but he was told the trial would go on as planned and that if he did not like it, he could represent himself. He is now serving 11 years in gaol. I do not think he got a fair go. Legal aid is refused to some and given to others who appear to be better off. Some lawyers treat those on legal aid as second-rate customers.

Many persons complain of lawyers who take months to handle a case which another lawyer fixes in weeks. People involved in compensation cases complain bitterly of delays and frustrations in third party trials. I could go on. Many members on both sides of the House could continue to list their grievances with the legal system. In this week's papers there have been reports of two cases involving Aboriginal lads. From stories in the press, the young man in Mount Isa appeared to have been convicted of a crime he did not commit, and the young Aboriginal lad with a history of seven years' glue-sniffing and of being a member of a street mob was gaoled for raping an old lady. Neither of these young Aboriginal men was defended by top barristers of the legal system. Neither of these young men was protected by the patronage of the old-boy crony network. What is wanted for the battler in the community are the same defence standards as were produced for Walsh. What is wanted is a system that treats rich and poor alike.

Hon. W. A. M. GUNN (Somerset—Deputy Premier and Minister Assisting the Treasurer) (5.13 p.m.), in reply: I thank honourable members for their contributions. However, it is sad that the Opposition has used this debate for other reasons. If I had closed my eyes for the last 20 minutes, I would have thought I was in the Supreme Court. That subject has nothing to do with appropriation. Although the Opposition has been crying about the economy, it has used this Chamber for other purposes.

Mr HAMILL: I rise to a point of order. Am I not correct in my understanding of the Standing Orders of this House that a debate on Supply is an open debate in which the Opposition can raise any point on any issue it wishes?

Mr SPEAKER: Order!

Mr GUNN: If the honourable member had waited, I would have told him that I had thought that the Opposition would speak about the economy.

Opposition Members: We did.

Mr GUNN: They could have fooled me. They talked about everything else—property trusts, something that happened to McGuires and other things. It was a waste of time. The fact of the matter is that members of the Opposition had nothing to say about the economy.

If the Deputy Leader of the Opposition had listened to the speech of the Premier and Treasurer and read what was tabled, he would have known something about the matter. He would have found that the State's operating Budget is balanced, that the Loan Fund is not overdrawn and that the Trust and Special Funds are in surplus.

The State's capital development financing that led to the honourable member's description of a State deficit is simply funding of these capital works by means other than tax-raising. There are but two other choices; either not to do the work and let the wonderful opportunities go by—when the ALP was in power for many years the State witnessed many examples of that—or to fund all of these great developments by taxing the people today. That is the user-pays policy of the Government.

The Deputy Leader of the Opposition spoke for quite some time about the Grants Commission. I was greatly surprised to find that the Opposition was not represented in any way and did not take an interest. It sent along some unknown young person who apparently had very little knowledge of the subject.

Mr Warburton: He is a doctor of economics; that's not bad for a start.

Mr GUNN: Canberra is full of those—

Mr Warburton: He is a member of my staff.

Mr GUNN: Fancy that! Doesn't that make him great!

It is clear from his comments that the Deputy Leader of the Opposition does not have the faintest idea of how the Grants Commission works. Furthermore, his understanding was not helped by having his spy at the hearing, whom we now know to be his chief adviser. It is no wonder that he has not got very far in politics and why he will remain as a member of the Opposition.

In particular, I find it extraordinary that he is able to advise the House as to the results of the Grants Commission's latest review of State tax-sharing relativities seven months before the report is due to be presented to the Commonwealth Government. Clearly, the Grants Commission has made no determination at this stage and is presently only in the investigative phase of its remit.

It is also difficult to reply specifically to the Opposition's supposed criticisms as they do not make sense and do not tally with the facts. Indeed, they simply highlight the Opposition's ignorance and incompetence in this area.

However, I feel that I must make the following comments—

1. The commission has not rejected Queensland's case that it was being financially disadvantaged. What the commission did indicate was that it was not in a position to recommend factors that provided for a catch-up of any previous disadvantage to Queensland. Indeed, Queensland did not even ask it to do so. In this regard, all Queensland did was outline the extent by which it had been financially disadvantaged by the previous relativities. The commission did not dispute these facts.

2. By no stretch of the imagination did the Grants Commission contend that Queensland's Medicare case was irrelevant. Quite the contrary. Our understanding from the hearings was that the commission totally accepted the case that Queensland had been severely disadvantaged by the introduction of Medicare. Indeed, the only discussion centred on how to calculate the degree of financial disadvantage suffered by Queensland.

3. It was not part of Queensland's case that the State has a narrow base of industry. Notwithstanding this, it is true that Queensland's industry base is biased more towards profitable export industries (such as mining and agriculture) than towards the inefficient, tariff-subsidised manufacturing industries in Victoria, New South Wales and South Australia.

4. Treasury did not admit that the Government's stamp duty concessions had been a failure. What it did note was that, as a result of retaliatory action taken by the high-taxing southern States, the concessions that the Queensland Government had introduced in the area of share transfers had to be rescinded in order to avoid disadvantage to Queensland share purchasers.

5. At no stage did the Treasury indicate that the State was in deficit or that any such deficit was debt related. The only discussion at the hearings that remotely addressed this issue centred on the hypothetical question of how any debt charges related to the funding of a deficit should be treated by the commission. However, the deficit being talked about here was not a deficit in Queensland, which has balanced Budgets, but the deficit in the Labor-run States of New South Wales, Victoria and South Australia.

6. It is true that the State made no submission with respect to road maintenance; nor did any other State, because roads expenditure is outside of the remit of the current Grants Commission review. The honourable member for Sandgate's adviser did not tell him that, did he? The comments of the Deputy Leader of the Opposition in this regard clearly indicates how ignorant he is of the whole area of the Grants Commission. I can only feel sorry for him, if that will help.

7. At no stage did the commission indicate it felt that there was massive avoidance of pay-roll tax in Queensland. Indeed, State officers clearly indicated that Queensland had substantive antiavoidance measures equal to those in the other States.

Mr Warburton: Your people must have been at the wrong meeting.

Mr GUNN: The honourable member was not there. We did have our officers there, and it is their report to which I am referring. The issue of country water supply was not raised specifically, as the Government was happy with the Commission's previous treatment and had nothing further to add. If it does the same again, that will be OK. The Government will be happy and satisfied with that.

I come now to what the experts say about the economy of this State. At a seminar on "Queensland's Economic Prospects" held in Brisbane last month, Mr Will Buttrose, director and chief economist of Lloyds International Limited, said—

"Latest predictions still indicate that Queensland will grow by almost 3 per cent in 1984-85 and should again surpass the growth performance of each of the other States.

This State has an underlying growth potential and appears to me to have a relatively more mobile and definitely a hard-working population, and a Government which understands and aggressively pursues further development of the State."

An Opposition Member interjected.

Mr GUNN: He is an independent person.

Mr Palmer, chief State manager of Westpac Banking Corporation, said—

"I reiterate my belief that Queensland's economic prospects remain bright and provided the challenges of maintaining a high level of investment activity are met, the State will continue to be the leader in national economic growth 'stakes'."

Such comments by independent economic experts underline the State Government's economic and financial management. They give an idea of our good financial management. I consider that the State will continue to grow.

The New South Wales Government, to balance its Budget, sold off \$834m worth of assets and leased them back. They are on the never-never. The Government will never finish paying for them or own them. I emphasise that that is what happened in New South Wales.

Once again, I thank honourable members for their contributions. It is sad to think that Opposition members did not think very much of this debate and engaged in a diatribe of absolute rubbish. So far as I can remember, only the Deputy Leader of the Opposition spoke about the Appropriation Bill. That is a sad state of affairs.

Motion (Sir Joh Bjelke-Petersen) agreed to.

Committee

Clauses 1 and 2, as read, agreed to.

Bill reported, without amendment.

Third Reading

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

WITHDRAWAL OF NOTICE OF MOTION

Determination of Electricity Charges

Mr WRIGHT (Rockhampton—Leader of the Opposition) (5.24 p.m.): I seek leave of the House to withdraw the notice of motion given by me this morning in relation to determination of electricity charges.

Leave granted.

The House adjourned at 5.25 p.m.