Queensland

Parliamentary Debates
[Hansard]

Legislative Assembly

TUESDAY, 29 SEPTEMBER 1959

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Mr. SPEAKER (Hon. A. R. Fletcher, Cunningham) took the chair at 11 a.m.

GOVERNMENT LOAN BILL

Assent Reported by Mr. Speaker

ADDRESS IN REPLY

PRESENTATION AND ANSWER

Mr. SPEAKER: I have to report to the House that, accompanied by hon. members, on 25 September I presented to His Excellency the Governor the Address of the Legislative Assembly, adopted by this House on 17 September, in reply to His Excellency's Opening Speech and that His Excellency has been pleased to make the following reply:—

"Government House,
"Brisbane,
"25th September, 1959.

"Mr. Speaker and Gentlemen,

"As the Representative of Her Majesty the Queen, I tender to you and the members of the Parliament of Queensland, my sincere thanks for the Address in Reply to the Speech I had the honour to deliver at the Opening of Parliament on 4 August, 1959.

"It will be my pleasure and duty to convey to Her Majesty the Queen the expression of continued loyalty and affection to the Throne and Person of Her Majesty Queen Elizabeth II, from the members of the Legislature of Queensland in Parliament assembled.

"I trust that your labours to promote the advancement and prosperity of this great State will meet with success in full measure.

"I pray that the blessings of Almighty God may rest upon your councils.

"(Signed) Henry Abel Smith,
"Governor."

QUESTIONS

IMPRISONMENT OF FRANK STEC FOR STEALING

Mr. AIKENS (Mundingburra) asked the Minister for Justice—

"Is a man named Frank Stec, who was hungry and stole a sausage valued at 5s. 4d., serving a sentence of three weeks' imprisonment in Stuart Jail for this paltry offence?"

Hon. A. W. MUNRO (Toowong) replied—

"The person named in the Question is serving a sentence of three weeks' imprisonment in H.M. Prison, Townsville, because, after conviction for an offence, he did not pay the fine of £5 imposed by the Court."

ROAD TRANSPORT OF ELECTRICAL APPLIANCES TO TOWNSVILLE REGIONAL ELECTRICITY BOARD

Mr. AIKENS (Mundingburra) asked the Minister for Transport—

"(1) Has his attention been drawn to large advertisements that appeared in the 'Townsville Daily Bulletin' urging the public to buy electrical appliances from the Townsville Regional Electricity Board and showing a photograph of a large semi-trailer loaded with these appliances after transporting them to Townsville by road?"

"(2) Will he ascertain from the Treasurer the amount of money granted by the Queensland Government in the form of

subsidies to the Townsville Regional Electricity Board since its formation and inform the House of the total?"

"(3) As the railways play a great part in the earning of State revenue which is used to provide these subsidies to semi-Governmental and public bodies such as Regional Electricity Boards and Local Authorities, will he impress on all such the need to cease the churlish practice of biting the hand that feeds them?"

Hon. G. W. W. CHALK (Lockyer) replied—

"(1) Yes."

"(2) Subsidies granted by the Queensland Government to the Townsville Regional Electricity Board from 1946 to 1959 total £1,079,144 17s. 3d."

"(3) When the advertisement came under my notice I discussed the matter personally with the Manager of the Regional Board at Townsville. He informed me that the Board had purchased the electrical appliances on the basis of delivery into the Board's store in that city and that the Board had no responsibility for or control over the means of transport. The advertisement was part of an advertising programme made available to the Board by the suppliers. It is my belief that as a result of my discussions with the Manager of the Board at Townsville every effort is now being made by the Board to accord the fullest possible support to the Railway Department, and the Railway Department, in turn, is assisting the Board by hauling coal from Bowen to Townsville at special rates and store goods from Roma Street to Townsville at special contract rates."

Removal of Bodies by Metropolitan Funeral and Cremation Services

Hon. W. POWER (Baroona) asked the Minister for Justice—

"(1) Does the contract for the removal of bodies on the order of a coroner provide that Metropolitan Funeral and Cremation Services should remove these bodies without making any charge to the relatives of the deceased?"

"(2) If the answer is in the affirmative, will he take action to cancel this firm's contract for breaches of such contract in view of the fact that this firm has made charges ranging from £3 3s. to £5 5s. for this service?"

Hon. A. W. MUNRO (Toowong) replied—

"(1) No."

"(2) See answer to (1)."

New Infants' School, Hermit Park

Mr. AIKENS (Mundingburra) asked the Minister for Education—

"Could he inform the House of the proposed design, cost, capacity and estimated date of completion of the new Infants' School to be erected at Hermit Park?"

Hon. J. A. HEADING (Marodian—Minister for Public Works and Local Government), for **Hon. J. C. A. PIZZEY** (Isis), replied—

"The proposed new School for Infants at Hermit Park will consist of two wings, each of four classrooms connected by an administration block. Eight classrooms, a head teacher's office, a staff room and a store will be built on the upper level and a store will be erected on ground level. An entrance vestibule will be included in the design. Classroom accommodation will be provided in this building for 350 pupils. The building will be supported on concrete piers with open-webb floor trusses to give a large unencumbered play space under the building. A reasonable amount of brick work incorporated into the design will enhance the appearance generally. The toilet block, connected to the town sewerage scheme, will be designed as a separate building connected by a covered way to the main building. An estimate of cost for this work is nearly completed and approval for the necessary expenditure is expected within the next two weeks. It is anticipated that this new school will be completed and ready for occupation at the commencement of next school year or as soon as possible thereafter."

Supreme Court Judges and Their Judicial Duties

Mr. AIKENS (Mundingburra) asked the Minister for Justice—

"(1) Is it a fact that no civil cases are set down for hearing in the Brisbane Supreme Court during the month of June each year and, if so, why?"

"(2) What is the period of the summer vacation taken each year by Supreme Court Judges during which no civil or criminal cases are heard, except urgent applications for injunctions, &c., by one judge who makes himself available for this purpose only, if required?"

"(3) Have any representations been made to the Federal Government to provide High Court accommodation in Brisbane, as has been done in other capital cities and, if so, when and by whom were the representations made and with what result?"

"(4) Is it a fact that one Supreme Court Judge rarely sits on Fridays, even in many instances adjourning a case unfinished on Thursday to the following Monday and, if so, for what reason?"

Hon. A. W. MUNRO (Toowong) replied—

"(1) The Law Almanac, which is published annually, shows that it is a long established practice that as a general rule a Civil Sittings for the Brisbane Supreme Court is not set down to commence during the month of June. A Civil Sittings commenced in May would, in the ordinary course, extend into June."

"(2) The Law Almanac for 1959 shows that the Christmas vacation shall commence on Monday, December 21, 1959, and end on Friday, February 12, 1960. However, there was a Criminal Sittings set down to commence on January 12, 1959, and in the ordinary course there will also be a Criminal Sittings set down to commence in January, 1960. The Almanac also provides for a Vacation Judge for each year."

"(3) The records of the Justice Department available to me do not show that any representations on this matter were made to the Federal Government. I understand that Sydney and Melbourne are the only cities in which separate accommodation is provided for the High Court. The position in Adelaide, Perth and Hobart is similar to that in Brisbane."

"(4) I have no evidence before me to establish the fact, as stated in this question. However, for the Honourable Member's information, I may say that Judges of the Supreme Court, like Members of this Parliament, occupy positions of trust. In both cases they have specific duties and responsibilities, but in neither case are they required to account to the Executive Government as to the time, place, or manner of the carrying out of their duties. In answering a question on September 23, I have already informed the Honourable Member of some of the duties carried out by Supreme Court Judges in addition to their actual Court work. To this I now add that the principle of the independence of the judiciary from control or direction by the Executive is one of the foundations of our British system of justice and it is not one from which any responsible democratic Government or Parliament would lightly depart."

NEW ROAD SECTION, BRUCE HIGHWAY, GIRU TO JUMP-UP

Mr. COBURN (Burdekin) asked the Minister for Development, Mines, and Main Roads—

"As it is obvious to observers of the section of road now under construction on the Bruce Highway from near the Townsville Regional Electricity Board's sub-station at Giru to the Jump-up that a section approximately a mile long of rough earth road, which is crossed by Spring and Double Creeks which will become impassable during the wet season, is not included in the present scheme, will he advise the House if the Main Roads Department have plans for the bitumen surfacing of this section and spanning the creeks with appropriate high-level bridges and if so, when the plan will be implemented?"

Hon. E. EVANS (Mirani) replied—

"The scheme for construction and bitumen surfacing of the Elliot Highway, in the vicinity of Spring and Double Creeks, has been designed, and it is anticipated that it will be released to the Thuringowa Shire shortly. The scheme will not include the erection of bridges, or the construction of approaches thereto, since it is intended to use the present crossings, until it is possible to erect new structures."

DINMORE STATE SCHOOL AND NEW SCHOOL AT NORTH BOOVAL

Mr. DONALD (Bremer) asked the Minister for Education—

"(1) Is he in a position to advise when the Dinmore State School will be shifted from its present position to the site purchased by the department several years ago?"

"(2) When will a school be built on the property purchased by the department in North Booval?"

Hon. J. A. HEADING (Marodian—Minister for Public Works and Local Government), for **Hon. J. C. A. PIZZEY** (Isis), replied—

"(1) On account of the very large programme for the erection of new secondary and primary schools and the enlargement of existing schools, financial provision could not be made in the current year's programme for re-siting the Dinmore State School, although the need for such action is fully appreciated."

"(2) As soon as the new site at Booval North is placed under the control of the Minister for Education, consideration will be given to the provision of funds for the erection of the necessary school buildings."

FILLING OF TEMPORARY VACANCIES IN FETTLING GANGS

Mr. BURROWS (Port Curtis) asked the Minister for Transport—

"(1) Is it a fact that temporary vacancies resulting from illness or other causes in fettling gangs cannot be filled on the spot by maintenance inspectors or gangers without authority from some departmental head in a distant city? If not, what is the procedure for filling such casual vacancies?"

"(2) In view of the added danger, following the introduction of high-powered heavy engines and the big increase in the size of train loads, is the Government prepared to consider improving the safety and

minimising the risks of derailments by making certain that all fettling gangs be constantly manned at full strength?"

Hon. G. W. W. CHALK (Lockyer) replied—

"(1) It is the practice in the case of resignations for the permanent way inspector to arrange for the filling of the vacancies caused thereby, but in instances of illness or accident, the approval of the maintenance engineer must be obtained as there is a margin within the establishment of most gangs designed to cover reasonable loss of time due to such causes."

"(2) It is considered that no added danger is incurred by reason of the aforementioned practice, which is not something new introduced by this Government, but has operated over many years and was apparently fully subscribed to by the Honourable Member while he was a member of the previous Government."

Payment of Fees for Hospitalisation and X-rays at Ingham Hospital

Mr. DONALD (Bremer), for **Mr. JESSON** (Hinchinbrook), asked the Minister for Health and Home Affairs—

"As an advertisement, appearing in 'The Herbert River Express' on June, 6, 1959, by the Ingham Hospital Board setting out the fees for hospital accommodation, &c., had this to say, inter alia, 'Failure to pay these fees must by law mean that the patient will be transferred to the public ward and treated by the hospital medical staff and patients attending the hospital for X-rays are requested to pay cost thereof immediately'—

(1) Does the threat of removal to public wards mean that the hospital medical staff are less efficient than private doctors?

(2) Will pensioners and other indigent patients who are unable to pay immediately be refused an X-ray?"

Hon. H. W. NOBLE (Yeronga) replied—

"(1) As the system of providing intermediate and private beds in our hospitals has remained unchanged for very many years, one would expect the Honourable Member to be thoroughly conversant with it. However, as he has apparently allowed himself to get out of touch, I am happy to inform him that the answer is 'No'."

"(2) All X-ray services are free to public in-patients and out-patients of the hospital. A charge is made for X-ray services to the patients of private doctors referred to the hospital for that purpose. However, the regulation setting out the charge for referred patients specifically provides that there shall be no charge to pensioners referred by private doctors.

Ingredients in Milk Bread

Hon. V. C. GAIR (South Brisbane), for **Mr. A. J. SMITH** (Carpentaria), asked the Minister for Agriculture and Stock—

"Will he advise where the ingredients used in the making of milk bread are manufactured, giving the amounts manufactured in Queensland, if any?"

Hon. O. O. MADSEN (Warwick) replied—

"In the making of milk bread, all ingredients used are the same as for the standard loaf, with the exception of a specially formulated skim milk powder. Whilst this type of skim milk powder is presently manufactured by only one dairy company in Queensland, other organisations are capable of doing so. I feel confident the dairy industry and manufacturers will respond to and take full advantage of any increased demands for the manufacture of products required for milk bread. Might I point out that Queensland milk, added to the premium flour made from special quality high protein Queensland wheats, is used in the manufacture of Queensland milk bread. Information is not available at present on the quantity of milk powder produced in Queensland."

PAPERS

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

Report of the Registrar of Co-operative Housing Societies for the year 1958-1959.

Report of the Queensland Health Education Council for the year 1958-1959.

The following papers were laid on the table:—

Regulations under the Firearms Acts, 1927 to 1955

Regulations under the Hospitals Acts, 1936 to 1955.

Regulations under the Primary Producers' Organisation and Marketing Acts, 1926 to 1957.

PERSONAL STATEMENT

Reporting of Hansard

Mr. AIKENS (Mundingburra) (11.24 a.m.): I wish to make a personal statement. Mr. Speaker, on Wednesday last, prior to asking questions of the Hon. the Minister for Justice, I made certain remarks. You called me to order and gave me reasons for your call to order. I continued with my remarks and the Minister for Justice rose to a point of order. Finally the debate ended. On a perusal of the "Hansard" pulls I find that all that debate has been expunged from the pages of "Hansard," obviously at your direction.

Sir Winston Churchill once said with a good deal of truth that the expunging of the debates in Parliament from the pages of

"Hansard" was the first step towards the establishing of a police State. I should be loth to believe that you took your unprecedented, astonishing and dictatorial action with that end in view.

Mr. SPEAKER: Order! The hon. member may not use the word "dictatorial".

Mr. AIKENS: Let me say your astonishing and unusual action, with that end in view, and I should like you, if you would, to explain to the House why you took the action you did.

Mr. SPEAKER: Hon. members, in view of the circulation of certain rumours and the fact that the hon. member has been to the newspapers, I think it would be a good idea if I made it clear what did happen.

It is true that I instructed "Hansard" to excise certain words which recorded the comments of the hon. member for Mundingburra upon my arrangement with him that his question relating to the Queensland judiciary be redrafted.

The hon. member quite willingly and agreeably took out of his question several portions which did not materially affect the substance of his query, which, I thought, could have been interpreted as a reflection upon certain members of the judiciary. Next morning, in a preface to his question wherein he made very complimentary reference to my own treatment of the matter, he, perhaps inadvertently, interpolated and gave voice to some of the words which he had agreed not to use.

The general practice of the House is for "Hansard" to ignore asides or interpolations which are often indulged in by hon. members either in asking or answering questions, and the same applies to audible comment, of which we have plenty, by hon. members at question time. This practice, I felt, could be followed in this case, the more readily, I thought, because it would be neither common sense nor consistency to disallow certain words and phrases as part of a question and then to agree to those same words or phrases, or the substance of those same words or phrases, being added as a sort of rider to the question.

If I had thought that any other justification for this was necessary, and I do not think it is, it could be this consideration: I am, to the extent of my ability, bound to preserve not only the privileges but also the honour and public repute of this honourable assembly. To those who might have read in "Hansard" the full report of what happened, it might appear that the hon. member for Mundingburra had made an open and honourable agreement with me that certain excisions be made from his original question for reasons that I have stated, that they were a reflection upon the judiciary. It might further appear to those who might read the passage that the hon. member, under the guise of complimenting me upon my attitude in the matter, deliberately interpolated that very excised matter, thus honouring the agreement made with me in the letter, but dishonouring it absolutely in the spirit. Even the sincerity of the compliments to myself, which were the vehicle of his getting those words back in, could in the circumstances be very much in question, and the whole affair could be, I thought, a reflection on the credit of the hon. member for Mundingburra in this honourable Chamber.

Honourable Members: Hear, hear!

LAND ACTS AND OTHER ACTS AMENDMENT BILL

INITIATION IN COMMITTEE

(The Chairman of Committees, Mr. Taylor, Clayfield, in the chair.)

Hon. A. G. MULLER (Fassifern—Minister for Public Lands and Irrigation) (11.30 a.m.): I move—

> "That it is desirable that a Bill be introduced to improve Crown lands administration; to provide equitable terms and conditions for Crown tenants so that the lands of the State may be developed and put to their best use; to encourage Crown tenants to increase primary production; to foster and hasten the development of the Public Estate; and for these and other purposes to amend the Land Acts, 1910 to 1958, and other Acts."

This is a fitting Bill for our Centenary Year. It contains many novel features which will have far-reaching effects and might rightly be described as a new land code. It is designed on the report and recommendations made by Mr. W. L. Payne. It is a very good measure, and I propose this morning to speak from copious notes in order that I may give a clear explanation of the contents of the Bill. It aims at greatly accelerating our rural progress. Crown tenants are to be given equitable administration and encouragement to improve and develop their lands to the utmost productive capacity.

The land is our national heritage, and on its continued development and increasing production depends much of Queensland's progress. We must see to it that our lands not only retain their present productivity but that productivity is continuously increased for the benefit of the present and future generations. Both the Administration and landholders should co-operate in every aspect of land development calculated to advance the interests of the State and its people.

As His Excellency the Governor so aptly said in his Speech, when opening this session of Parliament, we have made really amazing progress during our first 100 years of self-government. His words were—

> "Queensland has developed from a primitive frontier of wilderness and scrub into a rich pastoral, agricultural, mining and industrial State. Familiarity has dulled

our perception of the marvels of this achievement. Today, a most exciting vista of development stretches to a wide horizon."

Already our State is producing huge quantities of the clothing and food requirements of the people such as wool, beef, mutton, sugar, wheat, and many other products, with a big surplus left over for export. Queensland contributes one-fifth of the exports of Australia, produced by less than one and a-half million people, or about one-seventh of the whole population. That is good, but we can do much better. The future rural progress of Queensland depends not on larger holdings, but on prudent subdivisions into economic units intensively developed and used.

This State's land development must be accelerated and its rural production immensely increased. The Bill is designed to effect those purposes. It removes many barriers that hitherto have frustrated full land development. Altogether, it will be a giant step forward and is likely to have far-reaching and beneficial effects on the State's progress. The potentialities for land development in Queensland, in numerous ways, are enormous. Production from the right use of its lands can be multiplied again and again. Sound land laws and administration can do more than anything else to multiply the productive wealth of the State and its population-supporting capacity.

We owe much to our early pioneers, and the way in which they faced hardships and difficulties and won through to success. But in now remodelling and streamlining our land administration we must keep in mind the circumstances that differentiate the past from the present. In the early days many families merely eked out an existence on the land. They supported themselves by the products from the soil, and earned a very small income from their crops or stock. It was a form of "peasant settlement," and, in its way, served Queensland well.

In those bygone days it took a whole generation to develop a farm. Time was not a factor that mattered much. The goods that had to be bought outside the farm cost but little, so the income-earning capacity of the farm was not all-important. The early settlers on these self-supporting farms reared sturdy, big-minded children who, in later life, competed very successfully with city-bred children. Many children so reared are amongst our foremost citizens today.

All this picture of somewhat primitive life has now passed. We are now living at a faster pace. Standards of living have improved, and costs of production have increased enormously. The landholder must advance with the times or go under. Farming and grazing have become businesses influenced by the same economic considerations as other businesses. The costs of equipment, supplies, and other services are now considerable. Unless the land can be developed quickly and a fair income earned, the settler must accept defeat and walk off his holding or, perhaps, sell it to some larger landholder. It will thus be readily realised that progressive land administration must be adapted to meet these changing economic conditions.

The preamble sets out that this is a Bill to improve Crown lands administration; to provide equitable terms and conditions for Crown tenants so that the lands of the State may be developed and put to their best use; to encourage Crown tenants to increase primary production; to foster and hasten the development of the public estate; and for these and other purposes to amend the Land Acts, 1910 to 1958, and other Acts. But a summary such as this can give little indication of the beneficial effects of the measure. When the land laws, the administration, and landholders all pull together results beyond our present imagination are likely to accrue within a decade.

The Bill is the essence of simplicity; it is divided into 14 parts and 87 sections. Each part has appropriate headings, sub-headings where needed, and marginal notes. Honourable members will appreciate the simplicity and clearness of language in which the Bill is drafted. Anyone who reads it will understand it, and, when it become law, landholders will be able readily to understand its provisions and appreciate how it affects them.

The huge area of 429,120,000 acres in Queensland is characterised by great diversity of climate, rainfall, fertility, and productive capacity. Administration cannot proceed along stereotyped lines but must make provision for all these many variations. The Crown controls land tenures over more than 90 per cent. of the lands of the State, and therein lies the great importance of Crown lands administration. The Bill recognises and makes provision for all these wide variations.

Land development is something so vital to the community that it transcends party politics. We must develop our country or eventually we will lose it.

The ultimate aim of Crown lands administration must be the maintenance of an ever-increasing rural population of resident landholders working economic-sized areas and giving employment to rural workers under prosperous conditions.

There will, of course, always be political differences as to which is the best tenure—freehold or perpetual lease—and other like differences, but as for the need to induce maximum development there should be no difference at all.

There are certain basic and progressive principles that must be endorsed by all Governments and by all parties. These are now being incorporated in the law so that they may become permanent features of land administration in Queensland.

I feel sure, therefore, that hon. members on both sides of the Chamber will give full support to the Bill.

The Bill contains many novel features, which I will now enumerate in summarised form and then deal briefly with each. They are—

(i.) It clearly sets out the objectives of land administration. These will be permanent objectives for many years.

(ii.) It generally gives effect to the recommendations of the recent Land Settlement Commission.

(iii.) It abolishes the Land Administration Board, which is appointed by Commission, and substitutes a Land Administration Commission, appointed by the Governor in Council, as the permanent head of the Department of Public Lands. This Commission, subject to the Minister and Governor in Council, will control the administration of Crown lands.

(iv.) It provides for a temporary judicial arbitrator to assist in resolving contentious issues that may arise in the early stages of administration.

(v.) It allows the conversion of lands up to 5,000 acres in area to freeholding tenure or perpetual lease selection so as to secure maximum development.

(vi.) It introduces the new tenure of "Brigalow Lease" for brigalow scrub lands up to 10,000 acres in area. This tenure will greatly aid the development of the brigalow scrub belt, comprising about 23,000,000 acres.

(vii.) It lays down principles of rent assessment and valuation for Crown lands to ensure that assessments may be fair and equitable and be based on the unimproved value. This should help to relieve Crown tenants from the fear that they will be penalised in rent because of their improvements.

(viii.) It makes provision for the renewal of terminable leases or parts thereof before expiry so as to ensure a greater degree of security of tenure.

(ix.) It reduces the rents of perpetual leases on Jimbour, Cecil Plains and other repurchased estates from 3 per cent. to 2½ per cent. of the unimproved capital value.

Mr. Mann: Are you going to reappraise the rent periodically?

Mr. MULLER: Yes. Further novel features of the Bill are—

(x.) On repurchased estates generally, it eliminates interest payments on recent applications for conversion to freehold where the re-determined capital values are high, being based on current market values.

On old freeholding contracts where the capital values are comparatively low, the existing interest rate is reduced from 3 per cent. to 2½ per cent.

(xi.) It provides for a uniform rental rate of 2½ per cent. (instead of 1½ per cent.) on the unimproved capital value for all future perpetual leases; it retains 1½ per cent. on existing perpetual leases, as an increase to 2½ per cent. in these cases would be repudiation of existing contracts.

(xii.) The leases of grazing selections in future are to be of 30 years' duration, divided into assessment periods of 10 years. Similar terms of leases and rental assessment periods are provided for settlement farm leases.

(xiii.) The rental assessment period of all Crown land leases is to be a uniform period of 10 years, thus bringing about a much-desired uniformity. The only exception is the tenure of perpetual town lease where the existing period of 15 years is being retained; to provide for more frequent assessments would savour of repudiation of contract.

(xiv.) Development grazing selections, with development conditions involving an abnormally high expenditure, may be granted leases up to 40 years. Pastoral development holdings, in remote districts, with conditions requiring an exceptionally heavy expenditure on improvements, may be granted leases not exceeding 50 years.

(xv.) The existing provision enabling one-fourth of a pastoral holding to be resumed at any time during the first 15 years without compensation except for improvements, is repealed, and a new provision inserted allowing the resumption of one-third after 15 years. The present uncertainty as to when a resumption might be sprung on a pastoral lessee, often restricted development.

(xvi.) Henceforth the minimum age for applicants for land is to be 18 years, but the rights of persons under 18 years who already hold land or who may acquire it by transmission, are protected.

(xvii.) Provision is made for the Land Court to consist of "not more than six persons." It is intended that the Land Court adjudicate on all valuation appeals including appeals from the Valuer-General.

(xviii.) Consequential amendments are are made to the general Land Acts, the Closer Settlement Acts, the Discharged Soldiers' Settlement Acts, and the Tully Sugar Works Land Acts.

The Government have taken the courageous step of incorporating in Part II. of the Bill the main objectives of land administration. These provisions are unique in any land legislation in Australia, and, I am advised, in the legislation of any country in the world. They should induce clearness of thought and I have no doubt that hon. members on both sides will endorse the objectives as set out.

These objectives clearly proclaim that public interests are always to be paramount, and that land administration is not for the benefit of any one section but for all classes of the people. That is an important point. With the growth in the population and the continuing demand for land by young men who desire to settle in the country it is the responsibility of the Government to see that

as far as possible land is made available in suitable areas in order that this development may continue and speed up.

For officers of the department, the setting out of objectives is also important. It brings home to them that their own particular job is not the be-all and end-all of their official existence. It gives them a wider horizon.

The Bill also clearly indicates that the definite land policy of the State is progressive closer settlements. We must have more development and more people. I should like to emphasise that. If one reads the history of Queensland and its development, particularly in country areas, all will find that although that territory was held by large landholders it was only after closer settlement that the towns sprang up. All districts owe their present prosperity to closer settlement. It is argued by some people that very large areas are needed to make a living. Only a few weeks ago I was looking at some old records referring to the time when settlers came to commence farming at Nundah, one of the suburbs of Brisbane. Their presence was resented by a number of large landholders who said that there was no room for them. That applies in every case throughout the history of Queensland when moves were made to subdivide areas for closer settlement. There is something within all of us which we call selfishness that sometimes prevents us from giving proper consideration to the needs of the State and other people. The Bill provides for all those aspects of settlement.

Mr. Walsh: Has it considered the land speculator?

Mr. MULLER: My word.

Mr. Walsh: It is to be hoped that you have some provision in the Bill.

Mr. MULLER: I have no doubt that the hon. member has at some time made a speculation.

Mr. Walsh: Not at all.

Mr. MULLER: A good deal of speculation in land has gone on through the years and I suppose it will always go on. It is not possible for any administration to prevent speculation completely. After all, speculation in land or in any other business is the life of trade. If anyone buys a piece of land and improves it and shows a profit on it, well, good luck to him.

While it is considered desirable, and indeed imperative, to declare the objectives of land administration, it is necessary to provide that any person aggrieved by a particular decision shall not have any right of action against the Government on the alleged ground that the objectives have not been followed nor applied in his particular case. The Minister and the Governor in Council are to be the sole judges of that.

Every right of appeal against a decision in any particular matter which a landholder may have at present is retained and safeguarded, but no new rights of appeal are created by Part II. of the Bill.

Part III. of the Bill abolishes the Land Administration Board, the members of which are appointed by Commission and are removable only by Parliament. This is the position at present. In its place a new authority, the Land Administration Commission, is to be appointed by the Governor-in-Council. The Chairman of the Commission will be designated Chief Commissioner of Lands.

Subject to the Minister, the Land Administration Commission shall be charged with the proper and effective administration of Crown lands and of all laws relating thereto. It shall also have the powers of a Commission of Inquiry to conduct any investigation pertaining to the administration of Crown lands. Hon. members will appreciate the great responsibility which is thrown on the Land Administration Commission whose duty it will be to advise the Minister from time to time.

Mr. Walsh: What extra duties will it have?

Mr. MULLER: If the hon. member will be patient I shall tell him. I am not complaining that the present Land Administration Board has not done a good job. I am not reflecting on any of the members of the Board.

Mr. Foley: Tell us the difference between the two.

Mr. MULLER: The Land Administration Board was appointed by Parliament and the new Land Administration Commission will be appointed by the Public Service Commissioner.

Mr. Aikens: Would it have power to subpoena witnesses and power of committal for contempt?

Mr. MULLER: If it did, the hon. member would probably be the first to come under its notice.

Mr. Aikens: That is a very important point and should not be treated flippantly.

Mr. MULLER: It is not being treated flippantly. As a matter of fact the Bill covers all the difficulties referred to by the hon. member. It is considered unsound in principle for officers administering the land policy of the Government to be outside the Public Service. Accordingly, all members of the Land Administration Commission will be subject to the Public Service Acts.

Hon. members opposite have asked what is the difference between the Land Administration Commission and the Land Administration Board. All other Under-Secretaries and heads of departments are under the control of the Public Service

Commissioner, and the Bill places the Land Administration Commission in the same position.

The Commission will attend to all forms of land settlement. The duties will be very much greater than in the past as the Bill is very much wider than previous land legislation. The work of members will therefore be very much greater, the field very much wider, and their work very much more important.

Mr. Duffey: Surely the land of Queensland has not increased! How could their work be wider or greater when they are handling the same land?

Mr. MULLER: They will be greater because of the provisions of this legislation.

The Bill provides also for a judicial arbitrator. This is a new principle and nothing like this has been attempted before. Provision is made in Part IV. for a Judicial Arbitrator as a temporary expedient for one year to help the new administration to get under way. So many new questions are likely to arise under the new law that it is considered wise to have powers to invoke the services of a Judicial Arbitrator or Referee, should they be required, to assist in the equitable solution of any contentious problem.

On difficult questions referred to him, the Arbitrator would have powers of recommendation only. He may be a Member of the Land Court (including the president thereof) or any person experienced in land administration.

The Judicial Arbitrator is intended as a temporary provision only until the new Land Administration Commission is firmly established and the principles of the new Bill have been applied.

The Minister and the Governor in Council will be the sole authorities to decide what matters should be referred to the Arbitrator, and after receiving his recommendations any subsequent decision will rest solely with them.

This is an entriely new principle. Irrespective of the personnel of the Land Administration Commission or the person holding the portfolio of Public Lands, some people will always maintain that their treatment is not as generous as it should be, that they have too little land, that they have been offered too little land, or that the conditions are too hard. The Bill widens the scope and gives greater opportunity for an examination of their cases.

Mr. Walsh: You are taking control out of the hands of the department.

Mr. MULLER: As the hon. member for Bundaberg knows only too well, the Land Administration Board makes its recommendations to the Minister. Speaking generally, the Board did not make many mistakes, but the Minister has the right to examine a recommendation and, if he thinks something is wrong with it, he may refer it back to the Board or make his own decision. The Minister, of course, is not very anxious to do that. When he receives the recommendation of three capable officers, he is naturally hesitant to alter it, although in certain cases he perhaps would like to do so. If a lessee or potential lessee feels that he has been aggrieved or given an unfair deal, the Minister under the Bill will have power to refer his case to the Judicial Arbitrator. Control is not being handed over to the Judicial Arbitrator, but, if there is any doubt in the Minister's mind as to the applicant's receiving a fair deal, the Minister can submit the case to the Judicial Arbitrator for further investigation.

Mr. Walsh: I suppose that the Government will extend that to all departments in due course?

Mr. MULLER: In the event of the Minister's disagreeing with the judicial arbitrator, he is not obliged to act on his decision. The provision is, nevertheless, an additional safeguard and will be of considerable assistance to the Minister, whoever he might be.

Mr. Burrows: Somebody to pass the buck to.

Mr. MULLER: Hon. members opposite talk about democracy but here is an example of true democracy. Land settlement is not an easy matter and in my experience in the department I have undertaken some difficult jobs. There is nothing more involved than administering the land laws efficiently. One has to be careful on every step taken; hon. members opposite know only too well the trouble they ran into.

Mr. Hilton: If the parties disagree with the arbitrator's recommendation they can still go to the Land Court to have a further hearing?

Mr. MULLER: I am glad of the interjection. These matters normally do not come under the jurisdiction of the Land Court. The offer made to a prospective lessee is determined between the Crown and the lessee. The practice does not give the dissatisfied applicant the right to go to the Land Court. The Land Court will retain all the powers it has now. Its duties are confined to rentals and so on, but these are matters outside.

Mr. Aikens: Would it not be better to call this judicial arbitrator the Minister's adviser because that is what he will be?

Mr. MULLER: You can call him what you like. I often feel like calling the hon. member something. The Bill provides for the conversion of areas not exceeding 5,000 acres to freeholding or perpetual lease tenure. This is a new principle. Hon. members opposite will imagine that we are going to give away the whole of the land of the State, but nothing is further from the truth. Part V of the Bill deals with the conversion of certain leases of areas not exceeding 5,000

acres to freeholding or perpetual lease tenure. It is often said that lands cannot be adequately developed because the landholders have not got a permanent tenure. These provisions remove that objection.

This part of the Bill is divided into two divisions, namely:—

Division I—Conversion of 1952 Act Settlement farm leases, and other settlement farm leases.

Division II—Conversion of small grazing selections under the Land Acts.

Hon. members will agree that the question of a living area is a most contentious one and is presented to me not only weekly but sometimes daily. Is it a living area or is it not? The intention of the Government is to give an applicant a living area. If a claim is for substantially more than one living area the Minister has power to reject the application. The point is a very debatable one and a living area in the opinion of some people might be described as a starvation block by others but if passed on to another lessee he might do remarkably well on it. That state of affairs applies from one end of the State to the other. In my own district there are reasonably good agricultural farms that some men have had to leave. One in particular that I have in mind was taken over by another man and is today producing more potatoes than any other farm in the district. The same remarks can be applied to land used for cattle, sheep, sugar, or anything else. Whether a block can be regarded as a living area depends greatly on its location, who works it, and the use to which it is put.

Mr. Walsh: After the tenant is given a freehold title, he will have the right to divide it into four areas.

Mr. MULLER: He will not have four areas. For example, a block of 200 acres could be cut into four areas, but each of them would not be a living area. Of course, if a tenant is given an unrestricted freehold tenure, he can do what he likes with the land. Most of the residential areas in the suburbs of this and other cities were previously parts of farms. Those farms were divided not into two areas, but into 22 areas. That must happen after an area is freeholded. As I say, the question of whether or not an area is large enough for the owner to make a living from it depends greatly on the man who works it.

Mr. Mann: It depends a good deal on the location of the land, too.

Mr. MULLER: That is so. Nobody can lay down precisely that 50 acres is a living area in one district and 100 acres in another district. My experience has taught me that a living area can be anything between 60 acres and 60,000 acres. As a matter of fact, out in the Channel country 60,000 acres is not half enough.

Mr. Burrows: How do you reconcile that with all your statements about living areas?

Mr. MULLER: It takes brains and ability to lay down what constitutes a living area, and we think we have both brains and ability to do the job.

Most settlement farm leases under the 1952 Act comprise brigalow scrub country. Their maximum area is 4,500 acres and the terms of lease are 35 years. To bring these leases into reasonable production requires a heavy expenditure of from £8 to £10 an acre, so there can be no serious objection to granting freehold or perpetual lease tenure. Under a terminable lease, full development will not be effected.

Those blocks were designed under Part II of the 1952 Act, and during the last few years they have been the subject of much discussion about whether they are living areas. In my opinion, a number of them would be two living areas if they were fully developed. But they have to be developed first. Provision is made in the Bill to allow all those lessees to convert to freehold tenure, which is the quickest way of bringing about the necessary development. With a leasehold tenure it is difficult to raise enough money to achieve full development quickly.

It could, of course, be said that after the lands have been fully developed and the whole community has progressed, an area of 4,500 acres may, in the distant future, comprise more than a living area. That may be true. But under a terminable lease partial development will take a whole generation, whereas under a permanent tenure, development is likely to be completed within less than 10 years, with all the benefits to the community that increased production connotes.

When the land has been fully developed, should subdivision be possible in individual cases, doubtless family or other circumstances will compel subdivision, so that in any event the interests of the community will be fully served. That is the reply to the hon. member for Bundaberg. Is it not wise and prudent, in many cases when these blocks become more than one living area, for the owner of his own volition to subdivide the land not only for his own benefit but also for the benefit of the State by making room for more farms?

Mr. Walsh: If it is fully developed he is entitled to some return.

Mr. MULLER: My word!

Mr. Walsh: But he is not entitled to speculate on a Crown equity.

Mr. MULLER: I will deal with that a little later. Every precaution is taken to avoid speculation but I repeat that we cannot prevent anyone selling a block of land after he has bought it. That is being done not only with land. I think the hon. member himself was engaged in that class of business outside Parliament. If not, I have done so and so have others.

Mr. Sparkes: You cannot stop him from selling it if it is a lease!

Mr. MULLER: Of course you cannot. The hon. member for Aubigny is right. That applies now. If a man gets a lease in a ballot or buys it, he can sell it. That is being done every day.

Mr. Walsh: Subject to the Minister's approval.

Mr. Sparkes: So is the freehold.

The CHAIRMAN: Order!

Honourable Members interjected.

The CHAIRMAN: Order! I ask hon. members not to engage in cross-firing across the Chamber but to allow the Minister to make his speech.

Mr. MULLER: You would be amazed, Mr. Taylor, at the volume of business that takes place now with ordinary leases. Perpetual leases, grazing leases—all leases for that matter—are sold at a profit.

Mr. Evans: What was the amount last year? Tell them.

Mr. MULLER: The profits alone last year on leases were £5,237,000. That includes grazing leases, farming leases and building sites. Those were the profits on the goodwill. Hon. members talk about speculation. That speculation goes on now. In fact more of it goes on now than will go on under freehold tenure. If anything, the Bill tends to stop speculation.

It must be stressed that these lands cannot be speedily and fully developed under terminable leases, hence the need for conversion to permanent tenures. These conversions were recommended in the Land Settlement Report. All settlement farm leases, under the 1952 Act, may be converted to freeholding or perpetual lease tenure under this division.

Division I. of Part V. of the Bill contains all the necessary routine provisions to give effect to these conversions to freeholding or perpetual lease tenure at the option of the lessees. I stress that. The Bill provides for an option on the part of the tenant. If he has a lease and if he thinks leasehold is better than freehold, by all means let him retain the lease. If he wishes to convert to freehold, that is a matter for him.

For the purposes of conversion, the unimproved value of the land is to be determined by the Land Court on current market values. In other words, we are not giving the land away, nor will the Commission or the Minister determine the value under the applications for conversion.

Mr. Walsh interjected.

Mr. MULLER: Mr. Taylor, I am endeavouring to tell the Committee what is in the Bill. If the hon. member for Bundaberg is going to keep interjecting, I do not mind what he says, but I wish to give hon. members of the Opposition the contents of the Bill. If I cannot give them a clear description of it, please blame the hon. member, not me. It will be the right of the tenant to choose what form of tenure he requires. If he desires to convert to freehold he can do so; if he wishes to continue with his lease, he can do so. Again, we are making the scope very wide. If an applicant lodges an application for conversion the Minister shall pass the application on to the Land Court for determination. After the Court has determined the value the applicant has three months to make up his mind. If after three months he decides that he is not going to do anything about it, he can forget all about it and nothing will happen. But if he wishes to take advantage of the offer made to him to convert at the price determined he is entitled to do so. We go further. Suppose he thinks that the Land Court determination is too high, he can leave the matter stand in abeyance and make another application at a later date. If he thinks he has made a mistake, or there are changed conditions, he can make another application, but the value previously determined by the Land Court may not still apply because conditions may have changed.

Mr. Walsh: Will there be any time limit on the later application? You said he can make a further application.

Mr. MULLER: He can make application any time after the three months. The period of three months in which he has to make a decision must expire first. If he makes no decision in three months his application lapses. If his application lapses but at a later time he decides to make another application—any time after—he can do so. But I point out here that he will get only two bites at the cherry. We cannot have officers making examinations and the Land Court making determinations only for someone to fool with them. We must call a stop somewhere.

Mr. Burrows: What happens if he sells out?

Mr. MULLER: I have not come to that yet.

Mr. Burrows: Will the subsequent buyer have the same two opportunities?

Mr. MULLER: Each owner of a property will be given two opportunities. If he fails to take advantage of them his opportunity has gone.

The Bill gives to landholders entitled to conversion of tenure the right to choose either freehold or perpetual lease tenure. The attitude of the Government is that each of these tenures is a good permanent tenure. I think we all agree with that. Some landholders prefer freehold, others are satisfied with and prefer perpetual lease. Each tenure has certain advantages. Freehold on the one hand costs more to acquire, and when the purchasing price has been fully paid the land becomes subject to land tax which increases as the market value of the land increases.

Perpetual leases pay a moderate rent but are subject to reassessment from time to time; no land tax is payable.

The choice of tenures, I repeat, is left entirely to the landholder concerned. He may take whichever tenure suits him best for the purposes of development.

Mr. Burrows: What about conditions? The man with a freehold tenure has no conditions, whereas the man with perpetual lease has to make improvements.

Mr. MULLER: That is nonsense.

The tenure of perpetual lease was first introduced in 1908. It was not a tenure coined by our friends opposite as is sometimes supposed. It was introduced by a non-Labour Government. Our policy always has been to give an applicant the right to either freehold or leasehold tenure.

Perpetual lease was then an alternative to freeholding tenure. Under freeholding tenure the freehold was acquired by paying the purchasing price in annual instalments over 40 years, that is, 2½ per cent. each year. The rent of a perpetual lease necessarily had to be less and hence was fixed at 1½ per cent. of the capital value. This rate has continued to date. It is, of course, quite unrealistic in relation to the value of money.

Under the new conversions of tenure it is proposed to allow the purchasing price for freehold to be paid over 20 years, without interest; that is, the instalments of purchasing price will be 5 per cent. per annum. After 20 years the land will become subject to land tax. The purchasing price will be the unimproved value of the land as determined by the Land Court on current market value.

For all new perpetual leases a rent will be charged at the rate of 2½ per cent. of the unimproved capital value of the land. I should like hon. members to notice that; that is an important change. The rate of 2½ per cent. will apply to new perpetual lease selections only. The old rate of 1½ per cent. will be continued on all existing perpetual lease selections, as this Government do not stand for anything savouring of repudiation of contract. All existing contracts will continue to be honoured.

It may be mentioned for the information of hon. members that rents of 2½ per cent. on the unimproved capital value of land are payable on perpetual lease selections in New South Wales.

This Bill does not deal with perpetual town leases, but to avoid any misapprehension it should be stated that the rental rate of 3 per cent. in the case of those lands is not being altered.

Small grazing selectors whose holdings do not exceed 5,000 acres in area will be given similar treatment. This can be done to the advantage of the leaseholders concerned and of the State.

Queensland badly needs work on pasture improvement; not many graziers have attempted it. Conversion to a permanent tenure will enable much more productive work to be done.

In the case of the conversion of these small grazing selections, it is provided that the land shall not substantially exceed a living area and that, in the opinion of the Land Court, public interests will not be adversely affected by the conversion of tenure.

I think that is a reply to the query of the hon. member for Bundaberg—"Will the gate be wide open for speculation?" Provision is made that the Minister or the Commission can reject an application if it is considered public interest would be adversely affected by granting it, or if there is a question of someone cashing in on three or four living areas. The necessary precaution is taken.

Dealing with area restriction, an area of 5,000 acres has been specified as the maximum area that may be freeholded or acquired as a perpetual lease selection. There will, doubtless, be criticism in some quarters that an area restriction can operate unfairly; that, for instance, one area of 5,000 acres may be much more valuable and productive than another area of say 8,000 acres. This, of course, could easily be so. Still, in view of the need for ensuring future closer settlement, some limit must be imposed; and 5,000 acres is considered to be a generous-sized area.

I know that hon. members will say that in some areas 5,000 acres will produce more than 10,000 acres in another area. It depends on the quality of the soil. After a thorough examination of this problem we have decided to limit the area to 5,000 acres and control the areas within that 5,000 acres.

Mr. Duffey: Twenty thousand acres in 5,000-acre lots held by members of the same family could be converted.

Mr. MULLER: I think that point is covered. We appreciate that point. In some cases 5,000 acres of land is worth four times as much as 10,000 acres of some other country. The line has to be drawn somewhere.

Part VI. introduces the new tenure of brigalow leases for brigalow lands of from 5,000 to 10,000 acres in area. The leases are for 40 years, with a priority right to a living area on the expiration of each lease. At the expiration of a lease no compensation would be payable for timber treatment, but any incoming tenant, on the subdivision of the land would have to pay for structural improvements, cultivation and similar work.

The brigalow belt is an enormous area of 23,000,000 acres extending some 600 miles from Collinsville in the north to Goondiwindi in the south. It is situated in districts with rainfalls from 20 to 30 inches.

Nearly two-thirds of this huge area is still undeveloped. Its potentialities for development are enormous but costs are very

heavy. When developed it will make an immense contribution to the rural wealth of the State.

The new tenure is designed to secure the development of these neglected lands.

Brigalow leases are to be subject to the condition of personal residence for five years, and thereafter the condition of occupation is to apply. The Governor in Council, however, is given power to waive these conditions in certain circumstances to induce more speedy development.

The maximum area to be held by one person or company is limited to 10,000 acres, provided that a person or company who undertakes to develop the land speedily at high cost and to maintain a number of persons thereon may be permitted by the Governor in Council to acquire brigalow leases up to a maximum area of 20,000 acres. Such holdings would be valuable fattening depots for out-back pastoral country. On the expiration of the leases a substantial part of the fully-developed lands would be available for closer settlement.

Queensland comprises such an infinite variety of country that there will doubtless be some areas with patches of brigalow scrub capable of development which may not be suited for the tenure of brigalow lease. These could be leased in larger areas as pastoral leases or pastoral development leases with appropriate development conditions to bring the lands into full production.

I want to make very clear the principle dealing with brigalow leases. In some instances the area held will be limited to 10,000 acres, while in other cases the limit will be 20,000 acres, but it does not follow that conversion of other leases to this form of tenure will be permitted. This condition applies only to openings of land when the Commission and the Minister think that a block would be very difficult to improve. Some of these places have to be seen before the extent of the work required for development can be realised. The cost is so great that it could not be born by an ordinary individual holding the land as a grazing selection. Brigalow leases will be granted in special cases when improvement of the land is difficult. It should not be understood that a person with some brigalow country on his lease will be able to convert to that form of tenure. As I have said already, brigalow leases apply only to new openings. I have one district in mind where this form of tenure would be most appropriate. We are trying to arrest the spread of harrisia cactus in the Collinsville district, most of which is covered by dense scrub and this cactus. The cost of development is tremendously high. Some of that land has already been leased in large holdings, and if these lessees fail to carry out the condition as to clearing the scrub, this cactus and other growth within a prescribed time, it may be necessary again to subdivide the country and reduce the size of the holdings so that they can be developed and brought into production. That is merely my forecast; I am hoping that the present lessees will be able to perform the work they have undertaken to do.

Mr. Burrows: If they freehold it, they will be relieved of those conditions.

Mr. MULLER: No.

Mr. Burrows: Why not?

Mr. MULLER: They will be obliged to clean it up. We have ways and means of dealing with such a situation.

Mr. Burrows: Tell us how. You cannot make a freeholder clear land.

Mr. MULLER: In this form of tenure we have certain conditions. We are not going to sell the land on a straightout basis.

Mr. Burrows: We want to know that.

Mr. MULLER: We are much more wide awake than the hon. member thinks. Most hon. members on this side of the Chamber were born before yesterday, and we are awake to those who may try to put over some trick. For the benefit of the hon. member for Port Curtis I can say that that point is being watched very carefully. If a man enters into a purchasing covenant he has to clear the land as he pays for it. We do not take the cash straightout and say, "We are done with you." He has to live up to the terms of the purchasing covenant, and if he does not he has to show cause, and he takes the risk of losing his block of land.

Mr. Sparkes interjected.

Mr. BURROWS: I rise to a point of order. I do not mind any sensible or intelligent interjection, but the hon. member for Aubigny is trying to annoy people by saying that I would want something done that I would not do myself.

Mr. MULLER: Part VII of the Bill deals with the principles of rent assessment and valuation. This is a contentious question, and there is much confused thinking throughout Queensland concerning land valuation and Crown land rents. An effort is being made to set out the position quite clearly. Landholders are not to be penalised for improvements.

Mr. Walsh: Have they been penalised in the past?

Mr. MULLER: The Bill declares that rents shall be fair and moderate and such as prudent persons would willingly pay. It stresses that rents must be based on the unimproved value of the land, that is as if the improvements had not been made. It sets out the allowances which must be made when unimproved values are deduced from the sale prices of comparable developed land.

I might say that you take the capital value of the land with the improvements on it and work back. You take off the costs of the improvements and the residue becomes the unimproved value of the land. That is set out in the Bill, and any valuer will have directions given him as to how the examination is to be made. This is the first time that unimproved value has been clearly defined.

Mr. Mann: Does that mean that the leases will not be periodically appraised?

Mr. MULLER: I did not say that. Leases will be appraised every ten years.

Mr. Walsh: All Crown leases are uniform?

Mr. MULLER: Yes. These allowances I mentioned are—

(a) The replacement cost of all improvements and works of development less depreciation from use or otherwise;

(b) The time it would take for the improvements and works of development to be completed and to become effective; and

(c) The added price which an experienced and prudent person would be likely to give for a developed holding, bought as a going concern.

To take an exceptional case, somebody might buy a piece of land at a fancy price, but such a price is not to be taken into consideration. The value of the land will be the price it might realise at public auction or something in keeping with values in the particular district. The direction is clear and concise. An aggrieved person could take his case to the court and appeal against the valuation if the provisions were not adhered to. The valuation and rental principles of the Bill are a collation of principles laid down by the Land Court, Land Appeal Court, and other courts over the years, and are now being given statutory authority. Landholders are always guessing as to how their valuations or rents are arrived at. Part VII of the Bill tells them. The obvious fairness of the provisions will, doubtless, appeal to hon. members.

Again, it is stressed that all land must be valued as if it was unimproved or virgin land. Whatever is added to land is man's labour, and it will not be valued or taxed as land. The unimproved value of land, however, does not remain stationary. As the community progresses, unimproved land values increase. The landholder shares in the general progress of the community, and the unimproved value of his land increases accordingly.

All rights of appeal hitherto possessed by landholders remain in force; they are not affected in any way by the Bill. In addition, landholders may appeal to the Land Court and the Land Appeal Court on the effect on their holdings of any of the new principles now introduced by the Billl, but any such appeal on the new principles cannot be carried beyond the Land Appeal Court. It would be unwise to open the door to the arguing of interminable questions of law. After all, land valuation is mainly a matter of practical common sense.

Mr. Walsh: What about the Bill of Human Rights now? You are restricting the right of appeal.

Mr. MULLER: This principle protects human rights. After a valuation has been determined, the property-owner will have access to an appeal court. Even if the provision was extended to allow appeals to the Supreme Court, very few property-owners could afford to take an appeal as far as that. We do not intend to repeat the legislation of the previous Government under which small landholders were forced to take their appeals to the Land Court. The previous Government "kidded" themselves that landholders were satisfied with valuations because there were no appeals to the Land Court, but the real reason for the absence of appeals was that nobody could afford to appeal.

Mr. Walsh: You agreed with our legislation.

Mr. MULLER: I did nothing of the kind. I told the previous Government what I thought of it when it was introduced, and I am still of the same opinion. In a legal battle before the Supreme Court the landholder is generally the loser, and the Bill provides that an appeal cannot be taken past the Land Appeal Court. That Court is composed of a judge of the Supreme Court and two members of the Land Court neither of whom sat on the original hearing. Could anything be more democratic?

Part VIII of the Bill aims to give lessees a sense of security by allowing them to apply for new leases 10 years before the expiry of the old lease. The matter is then investigated, and they are advised of the department's decision as to the terms on which a new lease will be granted in respect of the whole or part of the land. If the lessees are dissatisfied, they need not accept the offer of a new lease but may continue in occupation under the old lease. If at any time circumstances such as drought or a fall in the price of the products induce them to believe that they may have a better chance, they may renew their application for a new lease and get another decision. That is about as far as any Government can go in ensuring security of leasehold tenure.

This provision is designed for the purpose of bringing about development. A lessee can apply for a new lease up to 10 years before the expiry of his present lease, which must be surrendered before a new lease can be granted. Under those conditions, a lessee knows his future for the next 30 years and can proceed with his improvements.

Mr. Payne was asked to make a close investigation into Jimbour, Cecil Plains, and other repurchased estates. Originally, those

lands were valued at about £2 7s. 6d. an acre and the lessees paid a rental of 3 per cent. However, they are now valued at up to £20 an acre, and the rental is still 3 per cent.

The rents of selections on all the old repurchased estates are reduced from 3 per cent. to 2½ per cent. of the unimproved value. Henceforth the rents of all perpetual leases acquired after the passing of this Act, whether on repurchased estates or not, will be at the rate of 2½ per cent. The existing rate of 1½ per cent. will continue to apply to all the old selections on ordinary Crown lands. To alter it now would involve a repudiation of contract.

Reducing the rents on repurchased estates from 3 per cent to 2½ per cent. is equitable in view of the great increases in the unimproved capital values in recent years.

Provision is being made also to have all Cecil Plains perpetual leases reassessable as from a common date instead of at different times as at present. Any new perpetual leases in the future will be at the rate of 2½ per cent.

Part X of the Bill deals with matters already mentioned in the list of novel features of the Bill.

The rental assessment periods for all tenures —perpetual lease selections, settlement farm leases, grazing selections and pastoral holdings —are being made a uniform ten years. The fifteen-year reassessment period for perpetual town leases will remain unaltered.

Rents of existing perpetual leases will remain at 1½ per cent. of the unimproved capital value of the land; new perpetual leases will pay 2½ per cent.

Mr. Aikens: Does that reduced rate apply to perpetual town leases, too?

Mr. MULLER: No, it does not apply to town leases. This deals with grazing selections.

Grazing selections will have a term of 30 years instead of 28 years as at present. New settlement farm leases will also be brought into line, with terms of 30 years.

The term of a pastoral lease shall not exceed 30 years, and the term of a pastoral development lease shall not exceed 50 years: Provided that the term of 50 years for a pastoral development lease shall be determined only in respect of land situated in remote districts of the State, and only when the lease is made subject to very extensive improvement conditions, involving exceptionally heavy expenditure.

Land may not be resumed without compensation from a pastoral holding during the first 15 years; thereafter one-third is resumable.

Hon. members might think 50 years outrageous but we still have country in remote areas, especially on the borders of the Northern Territory and South Australia, that nobody has taken up. Some of that land is very difficult to improve and to make it more attractive to anyone interested we are prepared to give a 50-years' lease with development conditions attached.

Part XI provides that the minimum age for applicants for land shall be 18 years, but the rights of persons under that age who already hold land or who may acquire it by transmission are protected. If anyone under that age owns the land, there will be no objection, no alteration will be made, but it is considered that a boy or girl should at least reach the age of 18 before being considered competent to develop land.

Amendments are made to the general Land Acts, the Closer Settlement Acts, the Discharged Soldiers' Settlement Acts, and the Tully Sugar Works Land Acts, to give effect to the objects of the Bill as outlined.

It is both a privilege and a challenge to be associated with this legislation—a privilege to have the opportunity of assisting in the further development of our national heritage, the land, and a challenge that our work may be worthy of those who laid the firm foundations on which we are continuing to build.

We have reached such a stage of land development in Queensland that we can now more vigorously enlist the aid of science in forging ahead. A wide field is available for scientific research and the subsequent application of its discoveries. Pasture improvement to increase carrying capacity, the use of fertilisers, improved strains of grasses and pasture legumes, drought mitigation, better-bred sheep carrying heavier fleeces of better wool, cross-breeds of cattle best suited for variable climatic conditions, improvement in the yield and protein content of wheat, improvement in dairy herds, milk production and the like—each of these furnish a rewarding field for scientific endeavour.

Already, in Queensland, science applied to land problems has accomplished much. Perhaps its most spectacular achievement was the clearing of prickly-pear by biological agencies, thus enabling vast areas of the State to be brought into production instead of being over-run with pear.

To permit the application of science to land problems, the tenure under which the land is held must be satisfactory to the landholder. This Bill does much to bring that about. It also recognises the great variations in the lands of the State and their different potentialities, and provides for flexible administration to induce maximum development. In every way we are encouraging progress.

I commend the Bill to hon. members as a big forward step in Queensland's land laws and as fitting legislation for our Centenary Year. It is designed to give scope for the initiative and enterprise of the people to find expression.

Its progressive originality, its accent on development, its encouragement to landholders, and its enunciation of sound administration principles to keep abreast of modern technique, are all calculated to do much in

assisting land development. Doubtless it will be found that this common-sense, simply-expressed measure will be a milestone in the progress of Queensland, and will usher in a century of accelerated development.

To get right down to what might be considered to be modern land legislation, as you know, Mr. Taylor, we engaged the services of Mr. Payne to make this very close investigation. I feel sure that, after hon. members have considered the Bill, they will agree he has done an excellent job.

There are two or three points I should like to make in summing up. The policy of our party is optional tenure—either freehold or leasehold. Our 1958 Act enabled lessees to convert to freehold all settlement farm leases irrespective of area and all perpetual lease selections. Now we are including grazing selections up to 5,000 acres. This Bill is the third step in the conversion-of-tenure programme. The result of this legislation and its effect on land settlement generally will be watched with considerable interest. If it proves the success that I feel sure it will it is then our intention to consider the advisability of carrying freeholding legislation a further stage. Land will not be given away.

Mr. Dufficy: Would you indicate what further stage?

Mr. MULLER: Would the hon. member like me to repeat that? I have said that this is the third step. After we have seen its effects on land settlement generally we will examine the need for a further step.

The Land Court will determine unimproved values. The chief objective is speedy development. This can be brought about only by security. Every care has been taken to prevent speculation or undue profit-making with the Crown estate. I assure the hon. member for Bundaberg of that.

Mr. Walsh: I would want to see it in the Bill first.

Mr. MULLER: In order to balance the scale fairly between the Crown and the tenant an exhaustive inquiry has been made. Mr. W. L. Payne, President of the Land Court, has made that investigation and report. I say without fear of contradiction that no report on land settlement has been received with such good grace. Never at any time in my life have I heard such favourable comment about a job well done. No man living has had the experience of Mr. Payne. His practical common sense, fairness, and good judgment are appreciated by a very large majority of the people. He has been identified with most of the land history of Queensland over the past 35 years. To give the Committee an idea of his capacity to do the job let me point out that during his career he has been associated with or conducted the following Royal Commissions and special inquiries:—

1924: Member, Royal Commission on Prickly-pear.

1927: Chairman, Land Settlement Advisory Board, to report on pastoral land settlement in Queensland.

1929: Investigation and Report on the settlement of the Upper Burnett and Callide Valley lands.

1930: Investigation and Report on the need for readjustment of the Mount Abundance Settlement, Roma District.

1930: Chairman, Royal Commission on Rabbit, Dingo and Stock Route Administration.

1931: Report and Recommendations to Parliament for the guidance of the Government on the permanent settlement of cleared prickly-pear lands.

1931: Chairman, Royal Commission on the development of North Queensland.

1932: Investigation and Report on best method of dealing with certain pastoral lands in the St. George District.

1932: Investigation and Report on the readjustment of selections on Cecil Plains Repurchased Estate.

1932: Investigation and Report on the readjustment of selections on Jimbour Repurchased Estate.

1933: Chairman, Royal Commission on Dawson Valley Irrigation Settlement.

1933: Investigation and Report on additional areas for graziers in Central and North-west Queensland.

1933: Special Report on Reproductive Works of Unemployment Relief.

1937: Chairman, Commonwealth Board of Inquiry to develop the land and land industries of the Northern Territory of Australia. (Awarded O.B.E.)

1939: Investigation and Report on the economic condition of the Wool Industry of Queensland.

1957: Chairman and Australian Representative on International Commission to inquire into and improve land administration in Malaya. (Awarded C.M.G.)

1958: Investigation and Report on progressive land settlement in Queensland. Report presented February, 1959.

In view of these qualifications, can any hon. member question my recommendation to the Government that Mr. Payne be appointed to make this inquiry before bringing down the Bill? As the Minister responsible for the department I realised many of the defects of the old legislation, the fact that it was out of date and that it was necessary to bring the Land Acts right up to 1959 requirements. As I said during my opening remarks, conditions that may have been all right 50 years ago are outmoded today. We thought it was necessary to have a complete investigation of the matter. Mr. Payne has had great experience of land administration. He received commendation from the Prime Minister of Malaya and the Government for the work he did for that Government on land matters. We considered that no-one was

more capable of making this investigation and furnishing a report. The Bill is based on that report.

Mr. DUFFICY (Warrego) (12.52 p.m.): Land legislation is probably the most important matter that could be considered by this Chamber. Legislation on price fixing, rent control, and other matters for which this Government are responsible can be quickly amended when Labour again occupies the Treasury benches after the next election, but land legislation cannot be treated in the same way. Under our land laws contracts are entered into with people for periods extending up to 50 years in the case of perpetual leasehold. The position is even more difficult in regard to freehold.

Mr. Aikens: The Government can resume at any time.

Mr. DUFFICY: The Government can resume at any time, but there is the matter of compensation. Speculation is tied up with freehold tenure. I was amused when the hon. member for Aubigny said that the Crown did have control over the owner of freehold property. I am at a loss to know just what control can be exercised by the Department of Public Lands over the person who owns freehold.

Mr. Wordsworth: There is the right of resumption.

Mr. DUFFICY: That is a matter for this Parliament and not for the Department of Public Lands. When you go to the Department of Public Lands for information on freehold property it sometimes is not in a position to give it to you because it has not got it. The land has been alienated and information about it can be obtained only from the Titles Office. It cannot be said that the Department of Public Lands has any control over freehold land. Parliament, the supreme authority, can order resumption, but compensation then becomes payable. The Bill increases the maximum area of land that can be converted to freehold tenure to 5,000 acres.

Mr. Aikens: Only as a first step, according to the Minister.

Mr. DUFFICY: I will come to that.

The Minister, when speaking of the maximum area of 5,000 acres, emphasised the principle of a living area. Without going into the rights or wrongs of freehold tenure for the purpose of this point, it can be said that the Government have been guilty at least of some discrimination. They are prepared to allow persons in the more favoured portions of the State, the 20-inch and over rainfall belt, the brigalow belt, to convert to freehold tenure up to 5,000 acres, which the Minister said was a living area in that part of the State. I agree that that is so, but, if their action is correct, what would be wrong with the freeholding of 60,000 acres, a living area, in the far western parts of the State?

Mr. Ewan: Are you advocating that?

Mr. DUFFICY: If the principle for the freeholding of 5,000 acres in the more favoured portions of the State is correct, it would be equally correct in the far western districts where a living area is 60,000 acres. The principle in my opinion is wrong, but, if those in the more favoured portions of the State with areas capable of running 5,000 sheep are allowed to freehold their land, surely other people in the Far West are equally entitled to freehold areas on which they can run the same number of sheep, which in those districts would be 60,000 acres. The Government are not consistent. I have pointed out previously that they do not know much about the land of the State, other than that in the better districts. They are not concerned about the outback areas.

Mr. Muller: Who told you that?

Mr. DUFFICY: Many graziers in the West frequently told me that particularly when the Minister was making amateurish efforts at land administration and land legislation when the Government first assumed office. They had to appoint Mr. Payne to lay down a land policy for them.

Mr. Muller: We are not ashamed of that.

Mr. DUFFICY: And they are following it slavishly. The people did not elect Mr. Payne to Parliament, nor did they petition him to lay down the land laws of the State.

The Minister said that he had no apology to offer for the appointment of Mr. Payne to make his report. I did not expect the Minister to apologise because I too have a high regard for Mr. Payne but it is remarkable, Mr. Payne's report seems to be completely in line with the policy of the Government as indicated prior to his appointment.

Mr. Coburn: Don't you think that his report is his honest opinion?

Mr. DUFFICY: I should think that Mr. Payne made an excellent report within the confines of the policy of the Government, and that is demonstrated by the fact that the Government's policy is an extension of freehold. The Minister indicated that this Bill is another stage in the continuation of that policy. Previously we had freeholding up to 2,500 acres and now the Payne report recommends the doubling of the area that may be freeholded. We have it from the Minister that the Bill is a further step and it probably will be continued. Indeed, he said it would be continued. Perhaps the Government will freehold 60,000 acres in Western Queensland. How attractive that would be to big companies like the Australian Pastoral Company, who own Noondoo. What would it have paid for the freehold tenure of that land? The amount it would have been prepared to pay is indicated by the fact that it paid £600,000 for the leasehold of other country in Western Queensland, and if it is prepared to pay that sum for leasehold, how much more would it pay for freehold?

Mr. Windsor: And how much more tax would it have to pay?

Mr. DUFFICY: Amby Downs is 70,000 acres of freehold, which is also owned by this company. It does not seem to be worried greatly about the amount of tax it pays. There is no suggestion that it wants to rid itself of Amby Downs. I am suggesting, as the Minister said, that this is one further step in the policy of the Government in alienating the lands of the State. I cannot reconcile the Government's policy of continually alienating all the land of the State with the Minister's other statement that the Land Administration Commission which he proposes to appoint to replace the Land Administration Board will have more work to do. At the present time, about 92 per cent. of the land in this State has not yet been alienated from the Crown. That is a very fortunate position for any State to be in. Even Mr. Payne in his report pointed out what a favourable position Queensland was in in this regard compared with other States and other parts of the world. I found it hard to reconcile that statement with his recommendation that there should be further alienation, just as I found it difficult to understand the Minister's statement that the work of the proposed Commission will be greater than that of the Land Administration Board. As you progressively alienate the lands of the State, so you must progressively decrease the work of the authority that is charged with the responsibility of administering Crown land.

Both before and since I entered Parliament —and particularly since—I have had a good deal of experience with officers of both the Department of Public Lands and the Land Administration Board, and I have always received the utmost courtesy from them. I have regarded them as extremely efficient, and the work of the Department of Public Lands and the Land Administration Board as of a very high order. I can see no real reason why the control of Crown lands should be taken out of the hands of those skilled and experienced administrators and placed in the hands of a commission.

Mr. Power: They are trying to make a job for Sutherst.

Mr. DUFFICY: I am not in a position at this stage to say whom they are trying to make a job for or who the members of the Commission will be. But I want to place on record my appreciation of the work of the officers of the department and the Land Administration Board. So far, no sound argument has been advanced why a commission should be appointed to replace the Land Administration Board.

Let me now return to the subject of freehold. I mentioned earlier that, as is the general rule with their legislation, the Government in this Bill are definitely guilty of sectional legislation. Unless the Bill applies to the whole of the State, it must be sectional. If it applies only to the more favoured portions of the State, it must be sectional. It is strictly in accordance with the Queen Street and seaside approach of the Government. Although they believe in freehold as a principle—we on this side of the Chamber completely disagree with it—this seaside Government say, "We will give it to certain people in favoured areas."

Mr. Rae: You used to belong to a seaside Government. We are far from being one.

Mr. DUFFICY: I suggest that the hon. member read my previous speech in the Chamber—I have no intention of repeating it—in which I proved that the present Government are a seaside Government, and in which I mentioned the favoured seaside areas that were all represented by so-called Country Party members. I will not go into that at this stage because my time is limited.

Mr. Gaven: You and your colleagues dealt very severely with the sectional legislation on the seaside areas. Remember the building control Act?

Mr. DUFFICY: Let us keep somewhere near the principles of the Bill. Of course we have not had an opportunity of studying the Bill yet—all we know about it is what we have learned from the outline given by the Minister—but I gather that the two main principles are—(1) that the Government are taking the Crown lands of the State out of the hands of the Department of Public Lands, which has most effectively administered them over the years and placing them in the hands of a Commission, and, (2) that the government are going to alienate large areas of the State. Those are both contrary to what the Opposition think to be fit and proper in land matters.

There is another item in the Payne Report that may not call for legislation but, as the Minister said publicly that, as far as he was concerned, he would implement the Payne report in its entirety, I think we are entitled to consider it. I refer to the recommendation that companies be held to be entitled to a greater living area when their lease expires than is the individual.

Mr. Muller, Mr. Payne did not say that, you know. He did not say companies were entitled to a greater consideration than the individual.

Mr. DUFFICY: If I had time I would turn up the passage. He said—

> "Large Pastoral Holdings, of course, should be subdivided when the leases expire, but the lessees, whether a company or not, should be granted full-sized priority areas around their homestead improvements."

Elsewhere in the report—and I shall have an opportunity later of quoting it accurately —he said that the people—the companies—responsible for development and the expenditure of a good deal of money were entitled to a greater living area than people who

followed that development. I suggest to the Minister that he said they were entitled to one-and-a-half living areas. I will quote the report when I have the time. By no stretch of the imagination could I agree that companies are entitled to any priority area on the expiration of their lease.

At Nockatunga, for instance, an extremely big lease, the present occupants have held the lease for the past 60 years, and only a few years ago I saw that the actual value of the improvements was £14,000.

Mr. Ewan: They spent £58,000 on bores alone.

Mr. DUFFICY: When only £14,000 is spent on development in 60 years, are they entitled to a living area or one-and-a-half living areas? Of course not. Companies that have received a lease of 30 years over a large area have more than recouped themselves in that time. If we are going to encourage closer settlement, if we are going to give the land-hungry people of the State an opportunity, for goodness sake do not let us hand over the public lands of Queensland to either companies or speculators. As far as I can see neither the Bill nor the Payne Report is designed to look after the small person, the really land-hungry man who has had experience in developing land or to bring about the closer settlement that I am completely in favour of. Do not let us hand the land over to the speculator by giving away large areas under freehold tenure. Let us not give it to companies like the A.P. Company who were prepared to pay £600,000 for a lease. Instead of handing over the public lands to people like that the Minister should be more concerned about making finance available through the Agricultural Bank or some other instrumentality to give experienced men with insufficient finance an opportunity to acquire land and become a part of a closer-settlement programme in the proper way. Do not hand large areas over to individuals who are concerned only about speculation or large companies who are concerned only about flogging the land without any regard to the economy of the State or the benefits of closer settlement.

The Minister said that 20,000 acres held in four leases by members of one family could be converted.

(Time expired.)

Mr. FOLEY (Belyando) (2.32 p.m.): The motion before the Committee concerns the desirableness of introducing a Bill to improve Crown lands administration; to provide equitable terms and conditions for Crown tenants so that the lands of the State may be developed and put to their best use; to encourage Crown tenants to increase primary production; to foster and hasten the development of the public estate; and for these and other purposes to amend the Land Acts. When I heard the motion read I wondered whether the Bill would have those results. It appears to me to be a good deal of window-dressing or propaganda. The more I heard of the Minister's explanation of the various parts of the Bill, having represented grazing and farming areas for many years, knowing some of the disabilities of new settlers, even settlers who have gone through half of the term of their lease, the more I came to the conclusion that to accelerate land settlement and production from the land a Bill along similar lines to the Bill introduced in the post-depression period would more effectively achieve at least some of the objectives of this measure. The Government of the day made provision for the allocation of loan money at low interest rates. Will the granting of small concessions —an extension of two years to a grazing homestead lease or a grazing farm, the giving of the right to convert from perpetual lease to freehold—make the difference between success and failure for the settlers working under the present provisions of the Land Acts?

The new selector has to cut down scrub before he can cultivate and purchase machinery, before anything can be put on it. Those are the people whom we should assist. They cannot get funds at the prevailing high rate of interest, and if the State made funds available at a low rate of interest there would be good results to the settlers and the State. I suggest that loans be made available on similar terms to those of the post-depression years, when Mr. Payne was chairman of the board. At that time money was available at 3 per cent. interest. At the high rate it was uneconomic to ringbark some of our scrub timbers but when money was available at a low rate of interest millions of acres were cleared and grassed. This improvement helped those settlers who were hard hit by the depression to recover quickly. My suggestion is a practical one—to give assistance to those new settlers who are endeavouring to play their part in increasing the productivity of our lands. The person who takes up an area of land on say Peak Downs where there was very little clearing has to fulfil certain fencing conditions, and the few hundreds or few thousands he may have is very quickly exhausted. In many cases it is essential to build an earth tank. The settler cannot get sufficient money to carry out these improvements because of the banking policy that has prevailed over a number of years. During a debate the other day we heard it said that they were prepared to put money into some company that provided finance for the purchase of refrigerators and other household amenities, but they were not prepared to assist the new settler. It costs anything up to £300 a mile to net in a selection of 4,000 or 5,000 acres on Peak Downs or Orion Downs in the Springsure district. The clearing of land to ensure greater productivity costs another few thousand pounds. Money is also required for the purchase of machinery, and machinery companies will not give credit unless they are convinced that the interest and redemption payments will be met promptly. I have

made practical suggestions. It is not possible to get a tank-sinker to put down one or two earth tanks costing well over £1,000 unless he is convinced that you have the money to pay for it. Some money can be obtained from the Agricultural Bank, but the process is fairly slow. I have spoken to many men in the Orion and Fernlee districts between Springsure and Emerald, and they all stress the difficulty of getting into production quickly because of lack of finance.

The Minister has said that this is a centenary measure. I regret that it does not provide concessions or assistance of a practical nature, advantages that would make the difference between success and failure for many now on the land and those who take up land in future.

Of what practical advantage is the right to convert to freehold a property held under perpetual lease? It may be covered with thick scrub. The Minister speaks of this right as being a real advantage, but the fact remains that the individual has to buy the land and thus has bigger yearly commitments over a ten- or 20-year period than the annual rental. A landholder could not in the early stages convert the tenure of a new selection. He could not meet that heavy cost in addition to the other commitments for developing a new block.

Mr. Muller: He is not obliged to do it.

Mr. FOLEY: That is true, but the Minister referred to this right as some great concession, some great reform that will help the selector. Advantage will be taken of the right by those who can afford it, the result being alienation of Crown land and lower future revenue. The Minister referred to the land as the public estate, but the Government take it upon themselves not to act as trustees and so protect the public estate, but to do exactly the opposite. They are going to alienate the land or reduce the public estate by allowing those who can afford to buy it to do so. Many who take the step will no doubt be disillusioned in years to come.

The Bill contains a further principle, the appointment of a commission in place of the Land Administration Board. The inside story would be very interesting. What is at the back of this move? Why the change? From the days when Mr. Payne was Chairman of the first Land Administration Board, it has been composed of keen, efficient land administrators. They have dealt with millions and millions of acres of the public estate. They have subdivided the land and have drawn up conditions for selection of it. Their policy has improved production by many millions of pounds. The system is now to be changed. Why? Let me mention some of the personnel of the board in recent years. First, there is Mr. Matthews. No other man, including Mr. Payne, in my opinion has a better knowledge of land laws or precedents of land administrators than Mr. Matthews. Have you appointed him Chief Commissioner? I take it that you have not. What better authority could you get than Mr. Muir on the outside working of the lands of the State?

Mr. Muller: I appointed both of them to the Board.

Mr. FOLEY: That is good. They are both good men, but you will probably bring in some outsider to take charge.

There is one thing I ask the Minister to watch carefully. Do not allow whoever is appointed Chief Commissioner to become the chief dictator to the others. Over recent years the Land Administration Board has developed a system or custom where each member attended to certain matters that came under the jurisdiction of the Board. That might have been a good policy but I find that in recent years there have been no meetings at all of the Board. The Chairman of the Board was the Land Administration Board.

Mr. Muller: That has been altered.

Mr. FOLEY: I am glad to hear that. It should have been altered long ago. I suggest that it would be good policy for the Minister himself occasionally to attend meetings of the Commission to get a line on its methods and its policy to see whether it is administering the lands of the State in the way it is intended under this Bill.

During my occupancy of the portfolio I understand that all rentals were based on the unimproved value of the land. Each and every land ranger would report to his Commissioner the full improvements on the property likely to be subdivided. He would also give full particulars of all sales that took place in the district over a period of years. All that information was returned to the Commissioner who in turn submitted his report to the Land Administration Board. As a result, I was led to believe that the rents raised by the Land Administration Board have been based upon the unimproved value of the land. It was arrived at by deducting the improvements and other factors and then finding out what a prudent person would pay for that block of land. The sales and transfers that took place continuously were a good guide. I have not heard of major complaints. Here and there you will find a person complaining. At one time I had occasion to have worked out for me as Minister just what the rental average was over the whole of Queensland for sheep on a wool basis, not on a money basis. I found that at one period when values were reasonably high all that the department got in the form of rent per annum per sheep was a few ounces of wool from every fleece. That is how it works out in actual practice if you apply the principle of bartering. On that basis, the rental charged did not break any settler.

The same remarks apply to the term of lease. The Government intend to extend grazing leases from 28 to 30 years. I have no objection to that. On the contrary, I am right behind any move that will be of advantage to the settler.

Mr. Sparkes: It gives a multiple of 10.

Mr. FOLEY: That is so. Nobody could possibly argue against it. However, it will not make the difference between success and failure, either for an established settler or a new settler. I shall probably have more to say on that matter after I have had an opportunity of studying the Bill.

I should like now to refer to the brigalow leases. As the Minister has said, the brigalow belt covers approximately 23,000,000 acres and much of it is suitable for cultivation. Its grazing potential could be greatly improved if the scrub was pulled down. However, the settler must have the necessary finance to do the pulling-down, and to burn and clear the land before it can be ploughed. That is of far greater importance than a mere two years' extension of lease, or even 10 years.

Mr. Muller: The Bill proposes to do exactly what you suggest should be done.

Mr. FOLEY: I fail to see how the productivity of the land will be improved merely by increasing the term of the lease by two years, or even 10 years. It is necessary to finance the settler and see that he gets a good start so that he can carry out the improvement conditions of the lease and so improve the carrying capacity of the land.

Mr. Sparkes: Haven't you ever heard of security?

Mr. FOLEY: One way of giving a settler a feeling of security is to let him have money at a cheap rate of interest. The Government could not lose. The Treasurer may have some objection because he would have to find the balance of the interest, but in the long run it would add tremendously to the wealth of the State.

Mr. Sparkes: Why didn't you do it when you were Minister?

Mr. FOLEY: I proposed it. As a matter of fact we did it during Queensland's most critical period—the depression. We advanced hundreds of thousands of pounds at 3 per cent. interest. Many settlers took advantage of our offer and the State benefited as a result.

Mr. EWAN (Roma) (2.55 p.m.): I congratulate the Minister on the splendid way in which he presented the Bill. After listening to his exposition there could be no misunderstanding the intentions of its provisions. I am sure the Parliament and the people of Queensland will join with me in congratulating him on introducing what probably will prove to be a pointer to a new era in land settlement and development in this State.

Mr. Davies: How can you speak of a new era in view of all the progress that has been made in the past?

Mr. EWAN: I will explain it to my hon. school-teacher friend if he has the patience. I realise that he has no knowledge whatever of land settlement. On second thoughts, I will ignore his remarks at this stage and deal with him at a future time. He will then realise that it does not pay to interfere in subjects he knows absolutely nothing about.

It can be rightly claimed that land administration is perhaps the most important function of any Government. During the last 25 years we have been sadly lacking in that respect thanks to successive terms of office of Labour Governments.

Mr. Walsh: Having come from Victoria you have done all right under a Labour Government.

Mr. EWAN: Exactly, just as the hon. member for Bundaberg has.

Mr. Walsh: I was born here and I have lived here all my life.

Mr. EWAN: He sold a cane property and has been on "Easy Street" ever since. Then he has the temerity to suggest to me, after I spent 35 years on the land, that I did very well because of his Government's administration. I will have something to say about their administration.

It must be agreed by all that land is the people's greatest heritage. On its successful development depends the progress of the nation. The whole economic structure of the State is based on land industries. When primary industries prosper everyone prospers because we are all dependent on them. Secondary industry, the city worker, the city dweller—in fact, everyone in the State—is dependent today on the prosperity of primary industry. If there is a slight recession in primary-industry prices, the effect is felt in all avenues very quickly. Never let it be forgotten that over 80 per cent. of our export earnings is derived from land industries, apart altogether from the fact that they provide clothing and foodstuffs for the rest of the population. Therefore, Queensland's development, progress and stability depend on legislation such as this, and with intelligent people it must receive the highest priority. Too often legislation has been rushed through withou full consideration of all its implications. As the Minister pointed out, Queensland has an area of 429,120,000 acres, comprising all types of country capable of producing food and animal life of perhaps any description.

In my opinion one of the most pressing needs at the moment is a classification of all land production potential, if we are to develop the land to the fullest possible extent and in the most suitable way. Bear in mind that perhaps 48 per cent. of the State has a rainfall of 20 inches or more. The balance of 52 per cent. has under a 20-inch rainfall. Approximately 30 per cent. of the State has rainfall

under 15 inches. Let it not be deduced from those remarks that the whole of that area of approximately 210,000,000 acres of land with over a 20-inch rainfall is suitable for agriculture because nothing is further from the truth. Let it be remembered that most of the State's earning capacity comes from the under 20-inch rainfall belt. Considering monetary return the land with the greatest productive capacity comes within this area. But there are pockets in the under 20-inch rainfall area that are capable of intense development as long as scientific methods are adopted. If we are not prepared at this juncture to undertake the complete classification of our land-production potential to enable us to deal with the land intelligently, despite the best meaning legislation in the world, our objectives will not be achieved.

Mr. Walsh: Does the Bill provide for this classification?

Mr. EWAN: No, I am asking for it. This is the introductory stage.

I congratulate the Minister and the Government on appointing Mr. Payne to carry out the survey on which the Bill is based. The Bill is introduced after his report has been approved by all primary-producing organisations in the State. Let it be understood also that it is the policy of the Government to consult producer-interests before introducing legislation affecting them. The full acceptance of the recommendations contained in Mr. Payne's report is sufficient indication to me that the legislation emanating from that report was desired by all sections of the community. In adding my congratulations to the many others extended to Mr. Payne may I quote one portion of Mr. Payne's report which to my mind highlights the necessity for legislation of this kind. He said—

> "All new Land Acts have had as their object the use of the land in the way best calculated to serve the whole of the people; the prevention of monopolies in land; the making of land available in areas suitable for the requirements of applicants; and, with the advancement of the State, ensuring a steady flow of land back to the Crown to meet the progressive needs of new land settlement."

He goes on to say—

> "There should be no privileged classes using a Public Estate. The capacities of all should be utilised in the way best calculated to help Queensland forward. The predominant aim in all land questions should be what will give the most benefit, not necessarily to the individual, but to the community as a whole."

I join with Mr. Payne in expressing those sentiments. If we take them as a guide in the framing of legislation we cannot go wrong. I submit that the Bill is based firmly on those premises.

I was amazed to hear the hon. member for Warrego, my old friend Mr. Dufficy, suggest that the Government showed discrimination in freeholding 5,000 acres of brigalow land while we would not allow the freeholding of a living area in the West. He asserted most dramatically that all landholders should have equal rights. I quite agree with him. We are not denying these rights.

Mr. Dufficy: I must have been wrong if you agree with me.

Mr. EWAN: No, sometimes the hon. member agrees with me. I realise that his position calls for propaganda on his part. The hon. member says that we are not going to extend privileges to other sections of the people.

Mr. Dufficy: I know you are; that is my complaint.

Mr. EWAN: The hon. member is not sincere in his suggestion that we are introducing sectional legislation. He claims that if we were sincere we would extend these rights to every other section.

Mr. Dufficy: Why make it sectional?

Mr. EWAN: It is not sectional. Unlike the previous Government, we go cautiously when we introduce legislation.

Mr. Mann: Sectional legislation.

Mr. EWAN: It is not sectional legislation. The hon. member for Warrego, with a tone of regret in his voice, objected to the appointment of Mr. Payne as a commissioner to carry out a survey of the needs of the land industries in this State and to advise the Government. That is the most remarkable statement I have heard because the hon. member and his supporters—if they are honest—must agree with me that for the last 20 years Mr. Payne has carried successive Labour administrations on his back despite the victimisation engaged in by successive Ministers and more particularly the hon. member for Bundaberg when he was Minister for Public Lands.

Mr. Hanlon: A lot of Mr. Payne's criticism would be of himself.

Mr. Mann: We are not saying he was not a good public servant, but we are complaining that you are directing him to bring in a certain policy.

Mr. EWAN: Do you say he is dishonest?

Mr. Mann: No, he is a very good public servant.

Mr. EWAN: You mean to insinuate by your remarks that the Government directed Mr. Payne as to what his findings should be. Is that why the hon. member for Bundaberg tried to victimise Mr. Payne—perhaps because he would not do what he wanted him to do. If he would not do what the hon. member for Bundaberg wanted him to do this Government would not be so silly as to direct him to do something.

Mr. WALSH: I rise to a point of order. I am not in the habit of getting up to defend myself, but to put the record right I say never at any time did I try to victimise Mr. Payne. I would have very good reason for doing so and other people may have wanted to do it, but I never directed him.

The CHAIRMAN: Order! I ask the hon. member for Roma to accept the assurance of the hon. member for Bundaberg.

Mr. EWAN: I accept the verbal assurance but I do not accept the actions which I know he carried out. I leave it to the people of this House who received certain documents to judge for themselves.

Mr. Walsh: You have seen the proof of my speech in this House.

Mr. EWAN: The hon. member for Warrego claims that this Bill is only for the purpose of continuing the freehold policy of the Government. The hon. member asked why we would not freehold 60,000 acres in the West.

Mr. Davies: You would if you got back.

Mr. EWAN: Do you want us to do it?

Mr. Davies: No.

Mr. EWAN: You do not?

Mr. Duffey: I have made my speech; let the hon. member make his.

The CHAIRMAN: Order! I ask the hon. member for Roma to address the Chair.

Mr. EWAN: The basis of the Government's action in introducing this legislation and complementary legislation is to provide security of tenure to enable landholders to carry out an efficient and progressive developmental policy.

Mr. Duffey: Is there any greater security of tenure than perpetual leasehold?

Mr. EWAN: Yes. I shall enlighten the hon. member.

Mr. Duffey: If you can prove that, you are a magician.

Mr. EWAN: The hon. member has a lot to learn when he says there is no greater security than perpetual leasehold. Freehold land gives far greater security in respect of equity in financial transactions.

Mr. Duffey: I am talking about the lease. Do you have greater security than you have with a lease in perpetuity?

Mr. EWAN: Yes, greater economic security and greater security of tenure. The hon. member has admitted that under the Public Works Resumption Act the Government can resume freehold land on the payment of compensation,—not at 1942 values, the figure used by the previous Government in another direction, but at present day values. I put it to hon. members opposite who are business men, is it not more probable that the Government would resume perpetual lease land with compensation payable only for the unexpired portion of the lease rather than freehold land with compensation at present-day values? Of course they would. In an approach to a financial house freehold gives greater security and enables a grazier or farmer to get better financial accommodation.

Mr. Duffey: What is the unexpired portion of a perpetual lease?

Mr. EWAN: It is held in perpetuity, but the same compensation is not paid for the forfeiture of the lease. The hon. member is merely splitting straws.

The Government, to the the best of their ability, are endeavouring to provide security of tenure and thus bring about progressive development financed by existing sources of loan money.

The hon. member for Belyando suggested that that is one of the most important steps we could take. He said we should obtain money through the Agricultural Bank, but I suggest that the money could be made available just as readily by recognised financial houses as by the Agricultural Bank.

Mr. Mann: You know very well they won't lend money.

Mr. Davies: Tell us how.

Mr. EWAN: I am not going to undertake the education of the hon. member. He is an ex-school teacher and should know the position.

Mr. Walsh: Why make such a silly statement?

Mr. EWAN: The hon. member for Bundaberg, who is now so voluble with interjections, this morning spoke about the Minister's making land available to those who want to monopolise it, cut it up and do what they want with it, but I have here the statement made by him when he was Minister for Public Lands in 1943. It appears at page 1807 of "Hansard" of 14 April, 1943. He now says that under freehold tenure the Government allow all types of sleight-of-hand tricks in relation to the disposal of the land, but this is what he said when he held this portfolio—

> "I have already explained to the Committee that it is true of farming communities, grazing selectors and a number of pastoral lessees throughout the State. There is more trafficking in Crown leaseholds on inflated values than there is in freeholds."

Mr. Walsh: I said that and I say it again and the Minister agrees with me.

Mr. EWAN: The hon. member can say it when he gets on his feet.

Mr. Power: You would do better if you sat down.

Mr. EWAN: You would do better if you shut up.

Mr. Walsh: Yo do not understand plain English.

Mr. EWAN: I must apologise for my lapse in drawing the attention of the hon. member for Baroona to his conduct in the Chamber.

In my opinion the Bill will increase the avenues of development, create a sense of security for landholders and bring about greater stability in the industry. Let us consider the motivating force behind any man in settling on the land.

Mr. Davies interjected.

Mr. EWAN: The hon. member would not understand. He should remain silent.

The man who goes on the land is prepared to put up with hardships in order to develop the block for the benefit of the State and for the benefit of his wife and children. In many cases the man is helped by his wife, who goes to the property and has to live for some years in a tent or tin hut.

Mr. Aikens: Under primitive conditions.

Mr. EWAN: Under most primitive conditions. He plugs away for eight or ten years before he can provide a home. He goes on, as any young man, thinking that 28 years is a long time, but by the time he develops the property he finds that 28 years is not so long after all. It may be seven years before he gets his home; he then starts ringbarking to bring the land to a reasonable productive capacity with the objective of bringing it ultimately to its full productive capacity. If the luck of the seasons stick to him and he is not too harshly dealt with by the vicissitudes facing the industry he ultimately at the end of 20 or 21 or 22 years arrives at the stage where he can start to develop in a rather extensive way. Then he is plagued with the fear that in a few years he will lose his holding. He knows he has only got priority rights over a living area. He can then apply under the provisions of this Bill for an extension of lease over a living area, but until that is granted he is not game, as a reasonable man, to invest his money in carrying out improvements, because in many instances he will not be compensated for them should he lose the country. He has to prove his case for compensation before the Land Court against the incoming tenant. Under those conditions, we must, if we want development in this State, and a continuation of the development handed out to us by our forefathers, see that there is security of tenure. If security of tenure after a 28-year period cannot be determined, it will never be determined. Once having determined what is a living area, I stand four-square with the policy of the Government in giving selectors complete and unequivocable security of tenure to enable them to create an estate to pass on to their children for whom they worked so hard. They worked so hard to establish a home of which they are so proud. A home to the Englishman is his castle and to the Australian his objective in life. Only by creating that spirit of trust for the tenant can we expect to get the land developed to the full. If we are not prepared to extend privileges to the people occupying the land producing great wealth and providing employment for the great masses of our people we will be failing in our duty to our forefathers and, believe me, Mr. Taylor, we will not hold this country very long. A great duty devolves upon the administration of our land laws and I firmly believe that the footprints of the Minister will remain firmly imprinted in the sands of time for the introduction of this legislation.

Mr. WORDSWORTH (Mulgrave) (3.19 p.m.): The hon. member for Warrego who led the debate from the Opposition benches left no doubt that he and his party did not approve of the freeholding of land in any way.

Mr. Dufficy: That is completely true.

Mr. WORDSWORTH: I hope that all A.L.P. supporters will take particular notice of his statement. I know that many A.L.P. supporters like freehold land; many of them are in fact occupying freehold land today. The hon. member can see no virtue in the freeholding of land because he thinks that it cannot be developed in the interests of the State. I am surprised at that thinking on his part because he is a very experienced man. He was an official of the A.W.U. for many years, he was familiar with many industries established in this State. He has apparently forgotten something. Australia's largest primary industry—the sugar industry—is predominantly conducted on freehold land. In the district that I represent, 98 per cent. of the cane land is freehold, and over 90 per cent. of the cane land throughout the State is freehold. Over 8,000 Queensland families get a living from these lands, which is sufficient recommendation for freeholding.

People like to own their own land without having any strings tied to it. Much has been said about the security of tenure that applies to perpetual leasehold. I have no doubt that up to the present there has been quite good security of tenure with perpetual lease, but the State always has the right to enter the land for this, that, or some other reason. The fact that the State has never done so is probably a tribute to the non-Socialist section of the former A.L.P. Government, who now comprise the Queensland Labour Party, and their democratic way of administering the land laws of the State. One can well imagine what a future A.L.P. Government might do, egged on by Messrs. Macdonald and Dawson, and the attitude that they might adopt towards the right of anyone on perpetual lease land. I am sure

that the great majority of the people of Queensland will welcome the opportunity to convert, or not to convert, whichever is their desire.

The Minister is to be congratulated on the introduction of this very important Bill. It is designed not only to ensure present landholders security of tenure on a reasonable living area, but also to make it easier for people to go onto the land. There are thousands of young Queenslanders who would welcome an opportunity to go on the land. This Bill, and the administration of the land laws following its introduction, will make it much easier for young people to go on the land.

An Opposition Member: A 16-perch allotment?

Mr. WORDSWORTH: Hon. members opposite will have to wait till they die before they get the only piece of land that they are willing to own. Its measurements are 6 feet by 6 feet by 3 feet.

I rose today particularly to speak about the protection of various industries following the introduction of this and other Bills. I refer mainly to the part of Queensland that I represent, where there are many large tracts of rain-forest country. I have already said that the cane-growing areas in my electorate and adjoining electorates are predominantly freehold and thus will not be affected by the operations of the Bill, but in the Cairns district there are thousands of acres of Crown land comprising rain-forest country. These rain-forest lands with their high rainfall are the backbone of the timber industry of North Queensland, which is the second largest employer of labour in that part of the State. They grow all manner of timber for which the North is noted and they are in the main regenerating forests. As long as they are preserved as timber-growing forests, they will continue to provide timber for the needs of the State. In the administration of the Act, after the passage of this Bill or any other associated legislation, care should be taken to see that they are maintained for timber production. In view of the need to protect other industries, such lands should not be opened for close settlement without very thorough investigation.

Mr. Davies: Why did you bring that up? Are your Government threatening to do it?

Mr. WORDSWORTH: The hon. member should listen. He has been a school-teacher all his life and he talks without thinking. On the Tablelands today are instances of land that was cleared inadvisedly. It does not matter which Government were in power at the time because everybody makes mistakes; the man who does not make mistakes is not doing anything. But between Atherton and Herberton lands have been cleared for pasture that should never have been cleared. Hilly, scrub country that was producing timber has been converted into second-class pasture land that is rapidly being overgrown with bracken. Moreover, there are the beginnings of soil erosion in those areas. Through the lack of foresight and, even more, the lack of knowledge, of the early settlers of the Atherton Tableland, the Cairns Harbour Board's dredge "Trinity Bay" has for the past 35 to 40 years been dredging 2,000, 3,000 or more, tons of soil from the Cairns channel every day of the week all through the year and it will continue to do so. Most of that soil and silt is Atherton Tableland topsoil.

In areas like the brigalow belt in Central Queensland, too, when new lands are being opened for agricultural production great caution should be exercised so as not to denude them of vegetation. It is not only in older countries that arable lands have become deserts through erosion. In Victoria there are many instances of the over-clearing of land, particularly along gullies and creeks, giving rise to erosion and rapidly reducing once-arable properties to worse than useless land.

I hope that in the administration of the Act and the opening up of new lands, firstly, some heed will be given to the need to preserve the livelihood of other industries dependent on the land and, secondly, that thought will be given in the future to preventing mistakes of the type made in the past, which can lead to serious soil erosion and within a space of years denude first-class land so seriously that it becomes little better than a desert.

Mr. BURROWS (Port Curtis) (3.30 p.m.): By attaching themselves to the Payne report the Government have shown their incapacity and inability to deal with the problem in a manner that one would expect of any responsible government. The Payne report has been hailed as the bible of the primary producer. Its contents have been referred to as the salvation of Queensland's cattle and wool industries. But in my opinion it is a most negative publication. I regard it as a dangerous document dedicated to the self-glorification of an egotist of the highest degree. The cover reads—

> "Report on Progressive Land Settlement in Queensland by the Land Settlement Advisory Commission.
>
> Commissioner: William Labatt Payne, O.B.E., Barrister-at-Law, President of the Land Court."

The sole author was Mr. Payne. Throughout the pages of the report the reader constantly is reminded of the virtues and infallibility of Mr. William Labatt Payne, O.B.E., Barrister-at-Law, President of the Land Court. The cover is in sharp contrast to the opening page of the report which is headed,

> "Report of the Land Settlement Advisory Commission. To the Honourable Frank Nicklin, M.L.A."

Mr. William Labatt Payne is president of the Land Court. I am not disputing for one moment that he is entitled to all the embellishments he has given himself on the cover nor do I doubt for one moment that he has not included all the honours to which he is entitled. But surely a man who has served so many years in the Public Service and who has reached such a high degree of office should have shown sufficient respect to the Premier of Queensland to address him by his full name. Even worse than not giving him his full name, he did not give him his full honours, honours that were won in a much more meritorious field.

Mr. Sparkes: Do you think Mr. Nicklin is worried very much?

Mr. BURROWS: No, he is not, but it gives an illustration of the character of the man who made the report, the man in whom the Government are placing their implicit reliance. He could not even give the Premier his full name; he refers to him by a nickname in a Government document. All this blah-blah on the cover is typical of the report which is dedicated to the self-glorification of Mr. Payne, not for the benefit of the public or the settlement of the land.

Mr. Muller: What part don't you like?

Mr. BURROWS: I do not like its inconsistencies. It is contradictory throughout. One picture of the site of Monto has the title "A Town is Born." Mr. Payne claims the credit for the project and for the development of the Upper Burnett.

Mr. Walsh: Monto particularly.

Mr. BURROWS: Monto particularly. Mr. Payne knows as well as I do that the brigalow scrub in the Monto area was cut into blocks as small as 160 acres. The hon. member for Callide, in whose electorate this area is situated, will bear me out when I say that one of the most successful farmers in that area was a man named Bulow who is well known to the Minister. He went there with virtually nothing and started on 160 acres of brigalow scrub. During the 1947 drought they had to get equipment to cart water. It was proved that it was possible to make a good living on such an area. Mr. Bulow died not so long ago and he was not a pauper. He farmed successfully on 160 acres. Mr. Payne takes credit for the birth of Monto and Biloela and the success of the Upper Burnett scheme on areas of 160 acres. What does he recommend now? With his dishonest zeal to please the Government he recommends from 5,000 to 10,000 acres of brigalow scrub as a living area. The report contains a statement from a Tara grazier who gave his own experience. It contradicts Mr. Payne's statements. It reads as follows:—

> "I have been here all my life. Father came here as an original selector before the town of Tara, and I write this as my experience of this area some 20 miles west of Tara.
>
> I have 2,585 acres."

Yet Mr. Payne recommends 5,000 to 10,000 acres, and that they be given a freehold title to it. There are inconsistencies throughout the report. When I first read the report I said that it was a very "Payne-full" report. I think quite a few Government Party members agree with me.

Mr. Walsh: It is full of Payne, in other words.

Mr. BURROWS: In other words, it is full of P—a—y—n—e.

Mr. Muller: It appears to have given you a pain in the neck.

Mr. BURROWS: It will give the Government a pain in the neck before they are finished with it. How many new settlers will we start in Queensland if we give each one 10,000 acres? When a ballot takes place for a block of a few hundred acres how many are in for it?

Mr. Sparkes: You got a big selection.

Mr. BURROWS: If I got anything I did not get it from the hon. member. It would be God help any poor starving fellow who wanted a feed from the hon. member. Anything the hon. member is likely to give away he still retains.

Mr. Sparkes: I bet you would like to freehold your block. You will be getting round the Minister quietly.

Mr. BURROWS: I realise that men of the financial standing of the hon. member for Aubigny see much virtue in the report and the Bill. The Bill is definitely of benefit to such men, but they need no cheer or sympathy from any Government. The Government should endeavour to help those who have a limited amount of capital, men who constitute 96 to 98 per cent. of landholders or selectors. By creating larger holdings, the Government are penalising those men. On and off throughout my life I have been closely associated with the land. When I followed a clerical calling I compiled many income-tax returns for primary producers. From experience I should say that more people are retarded or go bankrupt through having too much land than those who suffer the same fate because they have too little land.

Mr. Sparkes: I would hate to offer you another block.

Mr. BURROWS: I do not want another block. Someone might give me the hon. member's head in mistake for a block. However, I want to talk to the butcher, not the block.

Take the position of a man who has a block of 10,000 acres, but only a very limited amount of capital. He has to fence his holding, and naturally a block of that size would need more fences than a block of 5,000 or 2,000 acres. He has to pay rates and rent on 10,000 acres, and has not the financial capacity to improve it or to clear it. If it is brigalow country, it has to be cleared; if

it is ordinary forest land, it has to be ring-barked. Watering facilities must be established. The unit cost is much higher than it would be if he had a smaller block of land. By the time he has improved his land, he has no money to stock it. With a much smaller block, he would pay only half the rates and rent and half the cost of constructing and maintaining fences. He would be left with some money to stock the property, even if he could afford to stock only half the area. I am putting forward the case of those who have had to battle for themselves, men unlike the hon. member for Aubigny who was born with a silver spoon in his mouth and got his money easily. I am speaking of the average man.

My point is that many people are overburdened by excessive areas of land. If the Governments of the past have erred, they have done so on the side of giving too much land to individuals rather than on the side of giving too little.

Mr. Sparkes: Do you reckon you have got too much?

Mr. BURROWS: I have more than I can maintain at present. If I did not have a parliamentary salary I would not be able to maintain my little selection, of which the hon. member for Aubigny attempts to make so much. It was forfeited by the two previous tenants. That is why it was easy for me to acquire it.

Mr. Sparkes: Whose fault was it that they did not make a living?

Mr. BURROWS: I hope to live long enough to give it to one of my boys. He may be able to prove that he can make a living on it. In his introduction of the Bill the Minister admitted that it was hard to define a "living area." With the advancement of science and the development of artificial grasses land that once required 500 acres for a living area now only requires 100 acres or 200 or perhaps less. To establish a rule-of-thumb method and say that so many acres is to be a living area is pure rubbish and shows a lack of understanding by any sensible person. It is a very weak and paltry excuse for the alienation of the public estate for the Minister to say that the Government will allow a freeholding up to 5,000 acres on the ground that it is a living area. Earlier I gave an illustration showing that 160 acres of brigalow land at Monto had proved sufficient. I showed that quite a number of farmers on 300 and 500 acres of forest land were making a very good living and that if anyone wanted to buy such properties today they would be asked in the vicinity of £10,000 or £15,000. The Government are only fooling themselves if they think they are fooling the people of Queensland by saying that the small men will get an opportunity to freehold. No small man can freehold. Only wealthy men like Harold de Vahl Rubin and the hon. member for Aubigny can freehold. It will not be the needy but the greedy who will get it. There is no merit attaching to the principle at all.

In his report of 120-odd pages Mr. Payne dismissed the problems of the cattleman in a few words. We all know what an important industry the cattle industry is and what a large area of Crown land is leased to people engaged in it. He said that there are no issues at stake in respect of the cattle-raising industry. That statement was made by a man who has been President of the Land Court and associated with land all his life. I notice that the hon. member for Aubigny is not in the Chamber but I should like him to say truthfully whether there are any issues at stake in the cattle industry. Of course there are. There are problems in the industry in contrast to what is stated in this somewhat stupid report presented by Mr. Payne at enormous expense to the Government. In accordance with Parliamentary privilege hon. members received a report on the cattle industry in the Leichhardt and Gilbert Rivers by J. H. Kelly, published this year. I commend that report to every hon. member. It was issued by the Bureau of Agricultural Economics, Canberra. Comparing it with Mr. Payne's report is like comparing my ability as a tennis-player with that of Lew Hoad or Ken Rosewall. The report of the Bureau of Agricultural Economics is intelligent, comprehensive, and logical; whereas if you take Mr. Payne himself out of his report, the remainder could be written on a cigarette-paper. But the Government have clutched at the Payne Report like a drowning man clutching at flotsam. They have no land policy, nor have they the capacity to approach land problems in a logical way. The Minister has said that the Payne Report covers all aspects of land matters, but I say that it does not cover one fraction of them.

Mr. Muller: If we have no land policy, what are you grumbling about?

Mr. BURROWS: I am grumbling about the Minister's approach to the administration of land matters and the introduction of the Bill, which is merely an attempt to give the lands of the State to his political friends.

There are many problems associated with the land, and the land laws are urgently in need of simplification and consolidation. Many graziers in my area hold land under about five or six different tenures. For instance, it is possible to hold land under a miner's homestead lease, which is administered by the Department of Mines, although a miner may not have been anywhere near the area for over 50 years. Then there is freehold land, which is covered by the Treasury Department. There might also be a forest grazing lease, which is administered by the Forestry Department. There might be a dozen different land tenures. I admit that there are some very efficient and capable officers in the Department of Public Lands,

but the best of them could not enumerate "off the cuff" the multiplicity of land tenures in Queensland.

Mr. Aikens: Many town leases are controlled by the Housing Commission.

Mr. BURROWS: That is so. The present multiplicity of tenures and control must lead to confusion and unnecessary duplication, and consequent irritation to the tenants.

Time will not permit me to go into the Payne Report in detail. We should have been given an opportunity for a full-dress debate on it so that we could point out its inconsistencies. Most of its contents have been pirated from other sources.

The Minister made a startling revelation this morning. The Government, who are supposed to be so sympathetic to the man on the land, propose that in future a selector will pay 2½ per cent. instead of 1½ per cent. on the capital value as the rental of perpetual lease selections. That is an increase of almost 100 per cent. No doubt the Minister will blame the Payne Report for that, because that is one of Mr. Payne's recommendations. However, Mr. Payne is shrewd enough to know that if you want to please any Government, all you have to do is show them where they can squeeze an extra £1 out of some unfortunate person.

(Time expired.)

Hon. P. J. R. HILTON (Carnarvon) (3.55 p.m.): I take the opportunity of making a few observations on this important measure. From what I have heard today and from what I have read in the Payne report I feel in one sense a little sorry for the Minister and for the Government because the need for the legislation stems from the extravagant promises they made to the people of Queensland when they were in Opposition. When they assumed office they found that they could not in all honesty honour those promises. The big men among their supporters clamoured for everything they could lay their hands on while the little men insisted on the preservation of their rights, which put the Minister and the Cabinet and all the composite Government in a dilemma. So they appointed Mr. Payne to try to hammer out a policy for them.

I do not in any way discount Mr. Payne's ability or his very wide knowledge of land matters, but he has had to remould and recast his considered opinions of previous years in an effort to present the Minister and the Government with a policy that might get them out of their great political dilemma. In the process very dangerous loopholes have been created.

I say in all sincerity that I was alarmed at the Minister's statement towards the end of his speech that this was the first step on freeholding and that, depending on results, further extensions would be made in the future. That really alarming statement cuts completely across his own expressed personal views on closer settlement and the full use of the lands of the State. I should like some clarification of it and I sound a note of warning. What is to happen in the future? Is freeholding going to be an open order—ad lib? Is the public estate of Queensland to be filched from the people by this "gradual" policy? Already the area to be freeholded has been doubled and now the Minister says this is only a first step.

Mr. Muller: I said it was the third step. We have already taken two.

Mr. HILTON: The Minister said, "We will review the position," and the hon. member for Roma reinforced the Minister's statement when he said, "Of course they will have to extend the same concessions to the people out West and freehold large areas of land there." Now is not that correct?

Mr. Walsh: A new company has been formed, too, with Sir Arthur Fadden and Neil O'Sullivan on the board.

Mr. HILTON: I was going to mention that. It is very significant that, in association with this policy, there have been in recent times Press statements pointing out that real estate is going to boom in Queensland. A company has been formed with Sir Arthur Fadden as its chairman of directors and Sir Neil O'Sullivan its deputy chairman, with millions of pounds at its disposal to deal in real estate.

Mr. Aikens: The hon. member for Aubigny is to be one of the directors, too, I think.

Mr. HILTON: I should not be at all surprised. Already he is a landholder on a very large scale, both leasehold and freehold. I repeat, it is significant that all this emphasis is being put on real estate development in Queensland and that the formation of a financial ring is a concomitant of the legislation, or is synchronised with it. I have already mentioned the fact that the Minister said there was to be further action to freehold land. The hon. member for Roma substantiated that. He endorsed it.

Mr. Ewan: Only up to a living area.

Mr. HILTON: We will deal with that point. The hon. member says, "Only up to a living area." The Minister has said that a living area ranges from 60 acres to 60,000 acres and more in the far west. It is impossible to determine it by any Act of Parliament. I have not seen the Bill, but from the Minister's remarks I understand that there is supposed to be some protection against undue freeholding. I want to see what the protection is before I can be in any way satisfied that the Bill does not amount to a second wedge being driven in the alienation of the Crown lands. I want to be sure that in the not too far distant future, unless some other force prevails, we will not find that the very sound system of land settlement, the very sound policy of closer

settlement in Queensland, has been undermined. I do not want to see the unfortunate circumstances arising in Queensland that have arisen in other States, more particularly in other countries in the world, where unwise land laws and unsound land administration has caused revolutions.

Mr. Sparkes: What are you talking about, "in other States"? What is wrong with land settlement in New South Wales and Victoria?

Mr. HILTON: It is all right for the big man. I have spoken to small farmers in other States. I have heard their complaints about large freehold tracts of country being held by a few instead of being made available to those who really want to wrest a living from the land. There is no point in the hon. member for Aubigny's trying to argue a case for the small landholder. He is one of the State's big landholders.

Mr. Walsh: He thrived under Labour Governments.

Mr. Sparkes: Despite Labour Governments.

Mr. HILTON: The hon. member says that he made his progress despite Labour Governments. What utter nonsense! We know perfectly well that a sound policy of closer settlement has been pursued by Labour Governments over the years. It would be drastic to the future development and economy of the State if the Bill provided the means of undermining that policy.

Mr. Muller: What is your home built on, freehold or leasehold?

Mr. HILTON: I have no objection to freehold tenure for the land a dwelling is built on, but I do object to the freeholding of large areas of land.

I refer now to the brigalow area, particularly in Southern Queensland which could become in future the granary of Queensland. We need to consider the position not at the immediate present but what it will be in 20, 30, 40, or 50 years hence.

Mr. Sparkes: Under your policy the land would still be running wallabies.

Mr. HILTON: That inane remark does not impress me in any way. We realise the difficulties associated with clearing brigalow land. Like my colleague the hon. member for Belyando, I raise no objection to the brigalow lease but I object to large areas of land that are suitable for closer settlement and agriculture being freeholded and bought up by large financial interests.

Mr. Sparkes: How do you account for the Darling Downs being freehold? It is the most closely-settled country in the West.

Mr. HILTON: There have been many aggregations there.

Mr. Sparkes: Tell me of one. I could tell the hon. member a lot that have been dispersed.

Mr. HILTON: The hon. member cannot compare the conditions that prevailed when land was opened up on the Darling Downs with small areas with conditions today. He knows that when brigalow country is fully developed it is comparable to the Darling Downs land for the purpose of wheat-growing and dairying. I do think it is unwise for the Government to allow areas up to 5,000 acres to be taken up, thus providing the opportunity for large financial interests to come in and capitalise on the position.

We heard statements this morning about land tax being a deterrent to the freeholding of land. That comes strangely from a Government which have pledged themselves ultimately to remove all land tax. I have heard the Minister and his colleagues arguing against land tax in this Chamber. They pledged themselves to its elimination, yet today we find that they have turned a somersault, and they are now arguing there will not be more areas freeholded because of the land tax.

Another matter that concerns me was the statement by the Minister regarding the appointment of a judicial arbitrator to deal with matters arising from this legislation for a period of one year. I tried to get further particulars by way of interjection. Is this judicial arbitrator to be a member of the Land Court, or is he somebody who is superimposed on the Land Court? I think that the term is a misnomer. If he is a judicial arbitrator I take it he would be vested with judicial powers, and with the right to give a judgment. According to the Minister, all he will do will be to make a recommendation if there is a dispute between experienced and capable officers of the department and any Crown tenant. I think that is taking things a bit too far. I think it is a reflection on the ability of those excellent officers of the Department of Public Lands to interpret the laws and deal with legitimate complaints that may be placed before them by any Crown lessee. Why is it necessary to appoint this man to arbitrate on disputes between the Land Administration Commission and the Crown tenants? The Land Court exercises judicial functions. Probably this is an unhappy wash-up that has resulted from the political turmoil and trouble which the Government found themselves in because of the extravagant statements they made when they sat in Opposition.

I should like further information from the Minister on the granting of brigalow leases of 20,000 acres in difficult country. I agree that harrissia cactus constitutes a special circumstance and that ,in order to encourage lessees to grapple with this pest, they have to be given extra consideration, but that further consideration should be limited to such cases only. It should not be a loophole for others who might claim that they have had to

grapple with particularly difficult conditions on brigalow country and therefore should be permitted to participate in this extra benefit. I hope the Minister's explanation of the point was correct and that only in respect of extraordinarily difficult area infested with harrissia cactus will this additional concession be granted.

Although I listened intently to the Minister's introductory speech, he seemed to be a little vague when speaking of unimproved valuations. I think he said that for the first time in the history of the State the basis of arriving at unimproved valuations will be defined in legislation. He referred to the simple facts, and said that unimproved valuation is the price the land will bring at current market value, less the value of the improvements. If any attempt is made to incorporate that definition in legislation, great difficulties will be experienced. As the Minister knows, improvements on some properties were effected years and years ago at one-third or one-tenth of the present cost of those improvements. If a hard-and-fast rule is laid down there will be marked inequalities in the valuation of properties where improvements were effected years ago and those improved in recent times. I do not think a definite rule or definition of "unimproved value" can be incorporated in legislation for all time on the basis stated by the Minister.

The Minister has indulged in much window dressing in presenting this Bill. Some dangerous loopholes have been created, although I support certain other aspects of the Bill. As I said a moment ago, I realise the difficulties in improving brigalow country, and I agree that a longer lease of that country should be granted in order to give greater security to those who undertake development at present-day costs. No argument could be advanced to the contrary, but in common with other hon. members I draw attention to the need for adequate finance to assist new settlers. A magnificent job has been and is being done by the Agricultural Bank, but any hon. member representing a rural area must know if he moves among his constituents that new selectors who have to rely on financial institutions for money to carry out improvements and for their own support are at a dead end in their search for money.

Mr. Sparkes: Because of their insecurity. That is one of the chief reasons.

Mr. HILTON: Not at all. I shall mention a recent case in point. In the Inglewood district a man with a very good freehold property of 1,800 acres was reduced to a difficult financial position by the drought in the area a few years ago. His bank would not advance him another penny. He could make no headway. In fact, he was slipping back, and he wrote to me about his position. Of course, the Agricultural Bank cannot be expected to find the finance to meet the difficult situation. We cannot expect the Agricultural Bank to take over every liability from private banks. It did to some extent some years ago when money was available and the associated banks did not pursue their hard financial policy of today. All parties I am sure would support the Government in an extension of the functions of the Agricultural Bank so as to finance new selectors in difficulty at the present time. That would be something really effective for the closer settlement and development of this State.

I look forward to reading the Bill. Obviously we cannot give considered opinions until we know the details. However, it is encumbent upon me to sound my warnings. I hope that the dominating group of conflicting interests responsible for this legislation will not succeed in undermining the sound land policy pursued in this State in the past.

Mr. AIKENS (Mundingburra) (4.17 p.m.): As a member of this Chamber I am not bound by the A.L.P. policy, which provides that every member shall at all times bitterly oppose any suggestion to alienate Crown land, if we can judge from the remarks of the Minister it is the Government's policy that the whole of the land of the State should be handed over holus-bolus to whoever wants it, I can express the viewpoint of the average man in the street with regard to this legislation. It is not possible because of the length of the Bill and its details which the Minister explained for an hon. member to give a complete, full and intelligent interpretation of his own views in 25 minutes. I have picked out certain points which need to be stressed. I was rather amazed at the attitude of the Opposition towards the Bill. I had thought, in view of their policy that they would have brought into this debate their heaviest artillery and trained their big howitzers such as the Leader of the Opposition and the hon. members for Brisbane and Barcoo, and perhaps the hon. member for Keppel, at the Government. Instead of that all they wheeled into line was a little 2-lb. anti-tank gun in the person of the hon. member for Warrego, and a little spluttering Bren gun in the person of the hon. member for Port Curtis. When I was a young man I was associated closely with the Labour Party and I gave many years of toil and effort to it. I was persecuted for my adherance to that party and its principles. I can remember when I was closely associated with the late John Mullan, who was Attorney-General in this House for many years. I have been with him on the public platform in the West when he ranted and railed against the greedy graziers and the beef barons. He assured his listeners, time and time again that his Government would deal with the greedy graziers and make the beef barons squeal. Yet today, the chief spokesman for that once great working-class party is perhaps the greediest grazier and the biggest beef baron in the State, the hon. member for Port Curtis. So far has the Labour Party deviated from its original policy in regard to the greedy graziers and the wealthy beef barons.

Let me deal now with the real issue. When we talk about land policy, let us realise that land of itself is virtually valueless. It must be used, and used in the interests of the people, before it becomes valuable. It must be used to produce crops or to raise sheep, cattle, poultry, or anything else, for the benefit of mankind and the State. It does not matter what we do about the tenure of the land—if it is not brought into full production for the benefit of Queensland and its people, whether we freehold it, grant it on perpetual lease or grazing lease, or the various other forms of tenure that were so intelligently dealt with by the hon. member for Port Curtis. That is the real issue. Why is not the land of Queensland being brought into full production for the benefit of the State and its people? Because of the shortage of cattle, beef prices today are soaring. The hon. member for Aubigny told me a few minutes ago that at the Sydney market today cattle on the hoof are bringing 290s. per 100 lb. That beef will be retailed to the people at about 7s. or 8s. a lb. It will not be long before the same prices prevail in Queensland with the result that working people, whom I represent, will be unable to buy it. It will become a luxury, just as it is today in the United States of America. It will be far beyond the reach of the ordinary, decent citizen, just as bacon, ham and pork are now.

Will the Bill do anything to increase the productivity of the land? I say it will not, because it does not strike at the very cause of the lack of production.

Mr. Burrows: It will have a tendency in the opposite direction.

Mr. AIKENS: It may. As one of the leading graziers in the State, no-one should be more competent to express an opinion than the hon. member for Port Curtis.

In North Queensland there is a model station known as Scartwater, of which I have no doubt, Mr. Taylor, you have some knowledge, being a returned soldier of distinction and one who has interested himself in the affairs of returned servicemen. Scartwater Station, which was founded by the late A. W. H. Cunningham, is conducted in the interests of returned soldiers. The profits derived from it are made available to a fund whose headquarters are in Townsville. It is administered by public men in an honorary capacity and every year it disburses thousands of pounds in the interests of returned men.

I have never been on Scartwater Station—I hope to visit it some day—but people who have been there tell me that it is a model station. Its bores, waterholes, and other watering facilities are so close together that the cattle have not to travel any distance for water. I have been informed—and I have no reason to doubt the information—that it turns off twice as many fat cattle a year as neighbouring stations of the same size. I have no doubt that the hon. member for Aubigny, and others who know something of Scartwater, will agree that that statement is correct, or near enough to correct to be not worth arguing about.

Why is it that Scartwater can have watering facilities every 2 or 3 miles and turn off twice as many fat cattle a year as neighbouring stations of equal size and with the same type of land? It is simply because Scartwater—and rightly so—pays no taxation. Under the present system, other station owners would be candidates for a mental home if they produced more than a certain number of fat cattle a year. In other words, anything above a certain level of production goes to the Federal Treasurer. I am not putting up a case for the reduction of taxation only for the grazier and the landholder. It impinges with callous brutality on all sections of the community but this is purely and simply a land Bill and we are dealing with the land, the people who go on the land and settle the land and work the land and the people who live on the land and produce from the land the very things that will either make Australia what we hope it will be some day or reduce Australia to the coolie level. The real trouble is that the graziers on the land, the sheep, cattle and pig men on the land—though it does not apply so harshly to them as they have not the big holdings—they just will not use their land to the full point of production simply because they know that anything over and above a certain amount goes to the Federal Treasurer and no-one can deny it.

Mr. Hanlon: Until recent years big landholders were allowed very generous taxation deductions for improvements.

Mr. AIKENS: I think the hon. member is quite wrong in that, but I will not argue the point with him. I have spoken to graziers. On one occasion I read a letter in the Chamber. I think the Leader of the Opposition will remember it and other older hon. members will remember it, too. It was a letter written to me by a grazier in the Cloncurry district who was very well known to the hon. member for Carpentaria. He passed away only recently. He gave me his authority to read that letter in the Chamber and I did so. In it he said that he had reduced his flock of sheep to 7,000. The late Mr. J. B. Chifley was the Federal Treasurer at the time so apparently the political complexion of the Federal Government does not make any great difference in this regard. The grazier said, "I have reduced my flock to 7,000. I am not mating my ewes. Anything over 7,000 goes to Chifley and I am not going to work for Chifley." Graziers today say the same sort of thing. I do not know what the hon. member for Aubigny would say in the Chamber. Naturally he would be guided by loyalty to his party, but he is a very forthright man. I have no doubt that if you had a talk with him outside the Chamber he would personally tell you that what I am saying is true, that we are not producing

the meat, we are not producing the wool, and we are not producing the other things that we could and should produce from the land because those who are responsible for their production will not produce over a certain level because it goes to the Federal Treasurer and not to themselves.

Mr. Burrows: Honestly, you are right off the beam.

Mr. AIKENS: No, I am not right off the beam. We know, of course, that the hon. member employs a small army of accountants to look after his grazing properties. He must have the most competent accountants in the State. Talk to some of the graziers I have spoken to! Do not take any notice of what I say. Go up to North Queensland and see Scartwater Station, see all the neighbouring stations, and ask yourself the simple question: "Why is Scartwater so good? Why does it turn off twice the stock of other stations of the same area?" Ask yourself the reason.

Mr. Burrows: Your statement that if a man produces over a certain amount the whole of it goes in taxation is just ridiculous

Mr. Duggan: Arrant nonsense! 13s. 4d. in the £ is the maximum, anyway.

Mr. AIKENS: I did not say that, Mr. Taylor. I said that they will not produce over a certain amount because most of it goes to the Federal Treasurer. In other words, they say, "I will not produce over a certain amount for the benefit of the Federal Treasurer." The Leader of the Opposition, in an attempt to pull his back-bencher out of the morass, says it is preposterous to say that all over and above a certain amount goes to the Federal Treasurer, that the most that can go to the Federal Treasurer is 13s. 4d. in the £. Where is there a grazier today who will grow a bullock or a sheep or anything else knowing that when he sells that bullock or when he sells the wool from that sheep, he is going to get only 6s. 8d. in the £ and have to pay all his expenses out of that 6s. 8d.? I put it to every hon. member would they do it if they were graziers, cattle men, or sheep men? The hon. member for Port Curtis might be able to do it because I have no doubt he has properties taken out by so many holding companies and subsidiaries. If he were only a grazier himself I am certain he would not do it.

Mr. Walsh: To put the record right for you the taxation at the time you are talking about worked out at 18s. 6d. in the £1 over a certain figure.

Mr. AIKENS: That is so. It has gone down now from 18s. 6d. to 13s. 4d. Is there anyone in his right senses here who would deliberately manufacture or grow anything knowing that when he sold it he was going to get 6s. 8d. and the Federal Treasurer 13s. 4d.?

Mr. Sparkes interjected.

Mr. AIKENS: Here is an honest man who knows the grazing industry from back to front. The hon. member for Aubigny has just said that he would get only 18d. actually. Where is the man who would turn off a beast or a bale of wool more than he needed to, knowing that he would get only 1s. 6d. in the £1 from the sale of the beast or bale of wool?

Mr. Walsh: Be fair, there was a war on then.

Mr. AIKENS: The hon. member for Aubigny is saying that is all he gets now.

After I had examined the last Land Bill introduced by the Minister I felt that I could support it. Anyone who looks at "Hansard" will see that once again I am being consistent. "Thomas Consistent Aikens", I should have been christened. I said then that I could support the Bill although I was not very happy at the maximum amount of land that could be freeholded. I think the amount was something like 2,650 acres. Whatever it was, it was well over the 2,000-acre mark and I was not very happy about it. However, as that particular area was contained in the measure I had to swallow very hard and take it with the rest of the Bill because at that time I believed and still do believe it was desirable. I went back to my people, as I always do, reported to them, and asked them for their commendations or criticisms. They all agreed that I did the right thing in voting for the Bill that allowed them to own under freehold tenure the land on which their homes stood. I had to take the 2,600 or 2,500 acre provision in order to get that. But this Bill proposes that land up to an area of 5,000 acres can be freeholded. I cannot bring myself to agree with that suggestion. I do not believe in the holding of large areas of land in freehold tenure by any one person or corporation. If the Minister suggests that they will not be aggregated, that we will not have big landlordism on the overseas scale, it is mere conjecture on his part, conjecture based on false premises. In addition we have to take into consideration the fact that with the march of science, chemical advancements and various other achievements that are coming with almost bewildering speed every day, an area of 5,000 acres which perhaps rightly could be considered to be a living area today will be more than abundant with chemical and various technical advancements that may be made in the next few years. I need only refer hon. members to the 90 mile desert between Victoria and South Australia. I stand to be corrected on the name of the company but I think it was the A.M.P. Society that took over a huge area of worthless waste land. They had scientists and chemists conduct investigations into the reasons for the worthlessness of this land. They were asked to make recommendations on how the land could be brought into fertile condition. By experiment they found that there was a shortage of copper element. By the addition of the trace element of copper they have made a

desert bloom like a garden. Today the 90 mile desert, once worthless waste land, contains some of the finest pasture land in Australia. They turn off some of the best sheep and wool and mutton in Australia. What happened on the 90-mile desert can happen on all these 5,000-acre freehold blocks which are proposed under the Bill. The Minister says that a man may come to him and say, "I want 5,000 acres in a particular part of the State under the freehold tenure.", and if he can prove to the Minister that he needs 5,000 acres to give him a reasonable living he will get it. But I repeat that with the march of scientific and chemical knowledge in five or 10 years' time that area may give a living to 10, 50, or even 100 people; and the Crown will not get one penny benefit from it. The other man, as the hon. member for Bundaberg said when the Minister was talking, will occupy the position of the Crown. Instead of the Crown's saying, "We are going to subdivide this area into blocks for closer settlement and determine the period of the leases and tenures," the holder of the freehold tenure will be in the position of a mediaeval feudal lord. He says, "I will give you land and I will charge what price I can get. I will impose certain conditions." Those conditions imposed on those who buy the land may or may not be in the interests of the people. I am opposed to that section of the Bill which provides for freeholding of large areas of land. When you give a man a large area you will have people like the Burrows, the Sparkes and the rest of them getting these little areas of 5,000 acres here and there and later on they will join them together and hold 50, or 100,000 acres. We will then have the same position that we had in the olden days when we had the huge stations in the far north like Eddington, Marathon and Richmond Downs, with which I am familiar. They had miles and miles of land which they did not use. Eddington and all those big stations were either freehold or held under a tenure that permitted the lessee to do what he liked. They were so large that when a man started off in a buckboard in March he got to the other end by Christmas. They used the land in their own interests. They did not put anything on it. The land was used purely and simply for their own personal profit. It is right in a way that land should be used for the personal profit of the man who holds it. If he did not do that he would not hold the land. But there should be some overriding Crown administration of that land. Take the land in the Collinsville area. I do not know whether that was freehold or leasehold. A woman threw out a potplant which contained harrissia cactus and it started to grow and it covered a few acres and then it covered 100,000 acres and then several hundred square miles, but they said, "We do not care, we still have enough land left on which to make a comfortable living." My argument is that no person should be allowed to own or lease such a huge area of land that he cannot work it in the interests of the State and its people. When it is leasehold, however, the Crown can at least exercise some control over it. Looking at the position from a superficial viewpoint, I should say that the Department of Public Lands fell down badly on its job to prevent the spread of harrissia cactus in the Collinsville area.

Mr. Muller: Before my time.

Mr. AIKENS: I know that is so. The department should have tackled the problem much earlier than it did, and should have imposed certain conditions to make graziers do something about it. In addition to harrissia cactus we have other fast-spreading pests in the North, the China apple, the rubber vine, and other species of cactus. Those pests have taken over acres and acres of land that was once good grazing land. If the land is held on leasehold tenure, the Crown can from time to time impose certain conditions and force the holders of the land to do something about the eradication and control of noxious weeds. While we may be able to enforce action by the leaseholder for the eradication and control of these pests the freeholder is in a much better position to thumb his nose at the Government and refuse to undertake this work.

Mr. Sparkes interjected.

Mr. AIKENS: There are all sorts of peculiar people, but I am not concerned about them. I am interested only in the State and the people of the State.

(Time expired.)

Mr. SPARKES (Aubigny) (4.43 p.m.): It is rather interesting to hear condemnation of the Bill by hon. members opposite. I shall deal first with the statements of the hon. member for Port Curtis who is very worried because the Government appointed Mr. Payne to make a report. I think it was one of the most progressive steps taken by any Government. My only regret is that the previous Government did not do the same thing years ago. What is wrong with getting the best brains, irrespective of the field of inquiry. That is what the Government did. Mr. Payne is highly thought of not only in Queensland but elsewhere. His services have been sought by other countries.

Mr. Burrows: He does not forget to tell us about that in the report.

Mr. SPARKES: That is one of the chief worries of the hon. member.

Hon. members opposite say there will be no end of trafficking or dealing in land now that people are to be given the right to freehold it. Let me ask a question of hon. members opposite. If someone acquires a block of brigalow or other land and spends thousands of pounds in developing it and making it attractive and then sells it at a profit, is that not in the best interests of the State? Is it not better that that should be done than that the land should be left with green brigalow on it, supporting only wallabies and dingoes? Hon. members

opposite refer to that as trafficking. We hear of a person buying a run-down hotel, improving it, supplying good meals and good accommodation and then selling it at a profit.

Mr. Mann: That is not an analogy.

Mr. SPARKES: It is on all-fours with the improvement and sale of land.

The bugbear, according to the hon. members for Mundingburra and Carnarvon is that the right to convert to freehold will lead to great aggregations of land as in other States. Victoria has freehold tenure from one end of the State to the other, but it is the most intensely developed State in the Commonwealth. We do not find Victorians rushing around buying up huge areas of land.

Mr. Hilton: They come to Queensland to get land.

Mr. SPARKES: Which merely shows the density of settlement in Victoria. Turn to New South Wales, a State I know fairly well. The big stations such as Edgeroi and Gurley along with others of that size have disappeared. Let me tell hon. members two ways —either by cutting it up and selling it as the land becomes very valuable or as happened in New South Wales. In that State a man and his wife might have 20,000 acres and they might have two or three sons. The man and his wife might give 5,000 acres to each of the three sons who, in turn, have sons. I was surprised to hear the hon. member for Carnarvon speak about the Downs, because he can well remember when Jondaryan station was over 200,000 acres.

Mr. Hilton: What about the soldier settlement part?

Mr. SPARKES: Why the hon. member should walk into that, I do not know. The people who owned it put soldiers on the land before the Government put one man on it. It is one of the best settlements in Queensland, and it is all freehold. The Government did nothing.

I am prepared to tell hon. members of my own position. With my wife I have a little over 37,000 acres of freehold land. I have three sons, two of whom are married and have two sons each. Instead of 37,000 acres being held by a man and his wife it will be held by seven or eight people.

Hon. members opposite say that a lot of the land will go to rack and ruin. If you own land and you can sell it, are you likely to let it go to rack and ruin? Not on your sweet life. It is difficult to find undeveloped land in New South Wales in a decent rainfall belt. I do not know of any and I know most New South Wales land. All the land in that State is freehold, but come across the border at Goondiwindi and you run into the brigalow belt. It is a shame and a disgrace that we have it.

Mr. Walsh: You are not saying that all the land in New South Wales is freehold.

Mr. SPARKES: The hon. member cannot tell me about land in New South Wales. I say that 90 per cent. of it is freehold; let him put that in his pipe and smoke it. Nobody can tell me about land in New South Wales or Queensland.

Mr. Gair: Why did you come to Queensland?

Mr. SPARKES: Why did I come to Queensland? I shall answer the question in a way which suits me and in a way which will completely convince the hon. member that freehold is the best tenure. My people had 20,000 acres in the Dubbo district. There were many sons in my family and my father's family. The land was cut up amongst us all. I decided that I would sell out and go further afield. That was the reason why I came to Queensland.

I agree with the hon. member for Mundingburra who said that if a person had land and did not develop it it should be taken away from him. I hold a fair bit of country; it is fully developed, a lot more developed than adjoining areas. The hon. member for Carnarvon travels through the Darling Downs each week. I doubt if he would find many 5,000 acres blocks on the Darling Downs.

Mr. Hilton interjected.

Mr. SPARKES: Would the hon. member suggest that areas of 50,000 acres should be freeholded?

Mr. Hilton: You are going to do it, according to the Minister and your other colleagues.

Mr. SPARKES: The whole purpose of the Bill is to increase the development of the land. The hon. member for Belyando admitted that there were 93,000,000 acres of virgin brigalow scrub in Queensland.

Mr. Hilton: Until less than 30 years ago, most of it was under pear.

Mr. SPARKES: There has been no pear on it for a long time. Many people will not develop it because they are afraid that if they do, it will be taken from them. If those millions of acres were developed, there would be no shortage of cattle. It is a disgrace that Queensland, which is the greatest cattle State in Australia, should produce hardly enough cattle to feed our own people. That is the result of hamstringing by hon. members opposite when they were the Government.

Mr. Walsh: Is that why you got £50 or £60 a head for your bullocks at Broken Hill?

Mr. SPARKES: I have never apologised for where I sell my cattle. I am entitled to sell them on the best possible market. When the late Hon. E. M. Hanlon was Premier, what did he do with the cattle from Peak Downs? He was too good a business man to sell them to the butcher shops. He sold them on the open market through Primary Producers Ltd.

Mr. Burrows: Who owned Peak Downs at that time?

Mr. SPARKES: The Government of the day.

Mr. Burrows: They did nothing of the sort.

Mr. SPARKES: They owned half of it. Wherever there is freehold land, the greater is the improvement that goes on.

Mr. Gair: Profits and dividends.

Mr. SPARKES: If anyone in the Chamber does not like profits, I should like him to stand up so that I can take his photo. I want to see the man who is not interested in profits.

Mr. Burrows interjected.

Mr. SPARKES: Even the hon. member who is warbling away over there has a block of land and thinks he is going to make some profits. That is why he took it. He did not take it to lose money. Does anyone take on land to lose money? This is something new, something that hon. members opposite were never game to do.

One of the greatest curses in Queensland has been the fear of the Labour politician to deal with land as it ought to be dealt with. He thinks, "We must not do that. We will lose votes over it. We must give them a smaller area." So there is not one area in Queensland that has not what are called additional areas. They put the man on the land and he starves. It would be far better to put a young man in goal than to put him on a block of land without any money or backing. At least in gaol he would have to be fed, whereas being on the land in such circumstances would mean slow starvation and that is utterly wrong.

We have introduced a measure to give security, to encourage the people. The hon. member for Carnarvon said they could not get any money. I am connected with a financial institution and when we get an application from a grazier or a farmer for a loan, the very first question we ask is, "What is his security?" If his security is a short lease or a doubtful one, we are vey sorry but we just cannot help.

Mr. Aikens: Did you get an application from the hon. member for Port Curtis?

Mr. Burrows: I did not know anything about it before this.

Mr. SPARKES: I never disclose business secrets so I cannot disclose any business transactions we might have with the hon. member.

Mr. Aikens: You admit you did have some?

Mr. Walsh: What would the rates of interest be?

Mr. SPARKES: I can assure the hon. member they were most satisfactory.

Mr. Gair: Ten per cent?

Mr. SPARKES: There again see the ignorance of the hon. member for South Brisbane! Ten per cent!

Mr. Walsh: I am asking you.

Mr. SPARKES: People like Dalgety's, A.M.L. & F., and New Zealand Loan, have done a wonderful job for Queensland. They take a risk. They advance money on sheep or cattle. As a rule banks will not advance money on livestock. They prefer such security as freehold land, which they know they cannot lose entirely. For anybody to say the companies charge 10 per cent. is absolute piffle.

Mr. Gair: What are you charging?

Mr. SPARKES: I am speaking not merely for my company but for other companies.

Mr. Gair: What do you charge?

Mr. SPARKES: If I were financing the hon. member I would not even consider 10 per cent.

Mr. Gair: That is only personal. Tell us what you charge.

Mr. SPARKES: The hon. member knows that people borrow plenty of money from these companies at less than 5 per cent., and none of them charge above six per cent.

Mr. Walsh: Less than bank interest?

Mr. Burrows: But you have to sell your wool through them?

Mr. SPARKES: See how they rush in! I thought the hon. member on the back cross-bench might come in, but he is too old a bird. They say, "But you have to sell your wool through them."

Mr. Aikens: And your cattle.

Mr. SPARKES: And your cattle.

Mr. Burrows: And you sell when they tell you to sell.

Mr. Aikens: You have got to buy your tucker through them, too.

The CHAIRMAN: Order!

Mr. SPARKES: If a man wants to borrow £10,000 to buy some sheep and the company lends him the money for even less than bank interest, on condition, of course, that he sells the sheep through it or sells the wool through it, is there anything wrong with that? Is not that better for the man? He sells the wool, whether it is through Dalgety's, Primaries, Goldsbrough Mort or anyone else.

Mr. Aikens: And you have to buy your tucker through them, too.

Mr. SPARKES: You might buy it a whole lot cheaper. We never force anyone to buy his tucker through us.

Mr. Burrows: You have to sell when they tell you to sell.

Mr. SPARKES: It still gives the man an opportunity to make money. Very many Queenslanders today should thank these companies for the finance made available to them to buy sheep and cattle. It ill-becomes the hon. gentlemen to rush in with their suggestion about 10 per cent. I know of no company that charges 10 per cent.

Mr. Burrows: You would not call them charitable institutions?

Mr. SPARKES: They are not charitable institutions but business institutions. They are doing their business and doing it soundly.

I want to allay the fears of hon. members opposite—if there are any genuine fears on that side. I make an appeal to the Committee. To my mind land settlement in Queensland is the greatest thing that Queensland can look forward to. Surely for a little while we can be sensible and forget Party politics. Let us think of the benefits to our great State of a successful land policy. If the lands of the State were properly developed people would never be crying out for food. Unfortunately there is very little land development in some of the best rainfall areas of the State. Nearly all of the brigalow country has a 23-30-inch annual rainfall. In the far West it is an entirely different matter. We have heard so much talk about this 5,000-acre area. The hon. member for Carnarvon said that the figure was 23,000,000 acres; he should know because he was a former Minister for Public Lands. Would it not be better to have that 23,000,000 acres cut up into 5,000-acre blocks with a prosperous settler on each? Or would hon. members opposite say that it is better for the land to be running wallabies and dingoes? We are trying to bring about settlement. It is just nonsense to say that we are giving the land away. The land does not go anywhere; it stops here. When a person pays something for the land—he has to pay for it under freehold tenure, we do not give it to him—he will develop it for two reasons. First of all he has security, and secondly as he has paid money for it he will improve it to make money out of it. Do hon. members opposite want land development or brigalow scrub?

Mr. WALSH (Bundaberg) (5.4 p.m.): I am somewhat surprised at the lack of interest in the measure. For some hon. members opposite to say that it is an important measure while others take so little interest in the debate is worth drawing attention to.

Mr. Aikens: You nearly missed out yourself.

Mr. WALSH: I was not expecting the Minister to rise to reply. I do not think we have done too badly here because two ex-Ministers have made sound points in very fine contributions to the debate. If ever a Government were open to attack about any phase of their administration it is this Government on their land policy. In the brief time the Government have been in office I hesitate to guess how many amendments to the Land Act have been introduced. We are now expected to take it from the Minister that the Bill he is introducing will be the be-all and end-all of the future settlement of the State. Much of what the Minister said this morning is contradictory. The Minister told us that this State was responsible for much of the export products to the other side of the world and interstate. It is true that Queensland does play a very important part in meeting our financial liabilities overseas. The Minister then proceeded to tell us that everything was wrong with land administration in this State. If that is so how could we have reached the stage after 40 years of Labour Government, when the State made such a substantial contribution to the national economy. Yet the Minister asks the people to believe that the administration of the Department of Public Lands in the past has not been in the interests of the people and the State. The Bill deals with so many phases of land administration that one cannot cover the whole field in 25 minutes. Matters outlined by the Minister give cause for concern for the future administration of the Department of Public Lands. There are very serious reflections on many capable officers who have administered the department over the years. The Minister asks this House to agree that Mr. W. L. Payne, at his age, can be expected to advise the Government on all the modern features of land settlement, and that the Government can ignore the advice of competent and capable officers who are handling these administrative problems every day of the month and the year.

Mr. Sparkes: Would you not say his age and experience would be an advantage?

Mr. WALSH: I say advisedly that the report tendered to the Government is nothing but a rehash of the many reports that have been submitted to various Governments over the years. Most of it can be found in documents previously presented or in reports within the department. There is no question about that. When the Minister was sitting on this side of the Chamber he refused point-blank to accept statements contained in reports prepared and submitted to the House over Mr. Payne's name. That applied particularly to reports dealing with rural lands in the south-western area and the encouragement of ringbarking and the provision of water facilities and such like. The Minister did not accept that as being truthful at that time, but now he asks the Committee to accept without question all the statements made by Mr. Payne. As I said, one cannot cover all the points in the Bill on the introductory stage, but I shall be surprised if those hon. members who are interested in this

very important debate do not avail themselves of the full time of 25 minutes allotted to them during the Committee stage to discuss the principle incorporated in every clause. I do not hesitate to say that I shall take up my full time on certain features of the Bill when it is in Committee.

I shall deal now with a few points, first the new body to be created for the administration of land policy in the State. It is to be named some sort of commission and will be appointed by the Governor in Council. It should not be forgotten that the Land Administration Board was set up following a report submitted by Mr. Payne, who gave himself a job at an increase of £500 a year. At that time it was a provisional Land Board and the Moore Government made it a permanent body. As I have said in this Chamber previously, Mr. Payne is the only public servant in Queensland who was able to extract from the Government an increase in his salary in depression years, when judges, public servants and all other employees suffered a reduction of up to 25 per cent.

Mr. Sparkes: What has that to do with the report?

Mr. WALSH: I am getting to the report.

I agree entirely with the hon. member for Port Curtis—if he had not said it, I would have done so—that the report presented by Mr. Payne simply tells the Committee what a great man Mr. Payne is. The Minister, in elaborating on Mr. Payne's career, tried to convey that there is no-one superior to Mr. Payne in the administrative section of the department. I am not saying, and I did not say earlier, that he does not possess certain qualifications. Let it not be said that I have anything personal against Mr. Payne. Hon. members could confirm that statement by asking Mr. Payne himself. On all occasions I met him courteously and he met me courteously, but while I was Minister for Lands Mr. Payne wished to push me about, as he attempted to push other Ministers about, and there was no reason as a responsible Minister why I should accept that treatment. Because I did not accept it, I found myself in conflict with a man who deliberately set out to tell untruths and make mis-statements. I am not going to elaborate on that statement, other than to suggest to the hon. member for Roma that he read my earlier statements in this Chamber, statements which were publicly distributed amongst the graziers.

Mr. Ewan: I got one of them.

Mr. WALSH: And based on fact. Any suggestion that I attempted to victimise him at any stage cannot be upheld, although I can say that men associated with the Labour party, one in particular who was highly respected by hon. members on both sides of the Chamber, had certain views on the subject. If the Government had taken the advice of that particular Minister, Mr. Payne would have received his marching orders at that time, but I was not prepared to stand for that. I am not going to waste more time on the subject.

A new board, a new commission, is to be set up, the chairman of which, according to the Minister, is to be designated Chief Lands Commissioner of the State.

Only last year the Minister amended the Act to provide for the appointment of a Chief Commissioner to administer the department, an officer between the Minister and the administrative section of the department. The Minister has now changed his mind, and apparently that amendment is no longer necessary. A new body is to be appointed in the place of a body constituted in the first instance following a report submitted by Mr. Payne to Mr. McCormack when he was Minister for Public Lands. It was composed of three members who had the protection of Parliament and could thumb their noses at the Minister if they so desired, knowing that they had that protection. Now we are to have a commission that will be subject to the dictates of the Minister or Government of the day, and, whether it be the present Government or a government with a different brand of politics, I question the wisdom of such a move. The system lends itself to methods which could be suspect.

Mr. Ewan interjected.

Mr. WALSH: The hon. member for Roma has exploited Crown leases in this State.

Mr. Ewan: That is a deliberate untruth and you know it.

Mr. WALSH: He is now content to sit here, having disposed of his property for £36,000 after a very brief occupancy of it.

Mr. Ewan: After 32 years.

Mr. WALSH: There is no way in the world it can be regarded as anything but exploiting Crown leases.

Mr. EWAN: I rise to a point of order. The hon. member for Bundaberg has made a deliberate misstatement knowing it to be untrue. I was for 32 years on the property that I sold and I took it up when nobody else wanted it. The hon. member has made the statement knowing the full facts. His statement is untrue, offensive to me, and I ask for a withdrawal of it and an apology.

The CHAIRMAN: Order! I advise the hon. member for Bundaberg that the hon. member for Roma says that his statement is untrue and is offensive to him. I ask the hon. member for Bundaberg to withdraw his remark.

Mr. WALSH: In accordance with the authority of the chair, I withdraw it. Far be it from me to show disrespect to the chair. One has only to peruse the pages of "Hansard" over the years to find that what

I said is recorded. It is all very well to reap the benefits of Government policy and then to damn that policy.

The CHAIRMAN: Order! I trust that no further personal remarks will be indulged in.

Mr. WALSH: The commission will lend itself to direction by the Minister. Have there not been land scandals in the past?

Mr. Muller: You should know.

Mr. WALSH: I should know! I suggest to the Minister that if he can show that there were any during my time I will give him open sesame to expose all matters in this Chamber. Going back to the time long before Labour Governments, we find that there was trading in land, railway matters, grants of land and so on. All these things are to be found in the records. Politicians and public servants of the day lent themselves to all such things. The Government are opening the door to allow such things to creep in again. What a fantastic approach when we realise on the Minister's statement that the appointment of the judicial arbitrator is only for a period of 12 months. If a commission is given certain judicial powers, why then do you have to get somebody in between the commission and the Minister to advise him over the heads of the Commission? I am suspicious again that somebody who will follow the political line the Government wish him to follow will get this appointment. I am making this suggestion. I suppose there are a few plums to be thrown around. I suppose it would not be out of place for me to suggest that a member of the Committee on the redistribution of electorates might look for some plum from the Government.

Mr. Ewan: Filth!

Mr. WALSH: It is not filth; it is plain common sense. Surely hon. members opposite will not question my right to voice an opinion? They have the right, as I have, to voice opinions, and I am not objecting to their doing so. An arbitrator is certainly a very good person to have in certain spheres, as for example in the Industrial Court. A member of the Industrial Court, for example, might be called upon to arbitrate in a dispute between employer and employee. That system has worked very successfully, but if the principle is to be applied to the Department of Public Lands, why could it not be applied to every other department that is administered by a permanent head? For example, why is not a man who has dealings with the Justice Department given the right to have an arbitrator in the event of any dispute between himself and the Minister for Justice or the Under-Secretary for Justice? Again, why not have an arbitrator to act in a dispute on housing that somebody may have with the Treasurer or the Commissioner for Housing?

I take it that there are moves behind the Bill, moves similar to those that were made many years ago. Some of these high panjandrums in the Land Court will want to be appointed as judges so that they can command more respect. That move was frequently tried on previous Governments.

And now I come to valuations. It is proposed to strengthen the Land Court by having six members, who will deal with all matters of valuation, I take it, in respect of Crown leases. I did not understand the Minister to say that they will deal with all land valuations, for example, for a local authority or for probate and succession duty purposes. I take it that the Land Court's valuations will be for rental purposes only.

Of course, the Valuer-General will value lands for various purposes. If the Land Court is to deal with all valuations that are made by the Valuer-General, the Government will confuse the issue far more than at the present time. The present arrangement for valuations, during the brief time that it has been in operation, has been very successful. This is another example of the Government's yielding to pressure politics, as was the case with the transport measure in the Lockyer district. The Minister for Public Works and Local Government knows that he and other public officials were invited to the Locker district so that the wolves could attack them at a public meeting.

I shall have much more to say on valuations, particularly on the basis to be adopted in fixing unimproved values. I shall also have something to say about the absence of any right of appeal from decisions of the Land Appeal Court. It is all hooey to say that nobody would be able to appeal to a higher court, even if he was given the opportunity. I can cite many instances of people who appealed to a higher court and of judgments that have been issued by Sir Samuel Griffith, Sir Owen Dixon, and two Supreme Court Judges who dealt with valuations in New South Wales and South Australia—Mr. Justice Sugarman and Mr. Justice Pike. Their judgments have been accepted throughout Australia.

It is pathetic that the Government should take away the right of appeal, even though the right may not be exercised in a great number of cases. I can cite the case of the Beaudesert Shire Council against Campbells. In that case, the value of timber on a property was included as part of the unimproved value. The matter was taken to the High Court by Campbells, and they won their appeal. It was of benefit to every other small settler in the State.

Mr. Heading: There will be a right of appeal from the Land Appeal Court.

Mr. WALSH: The Minister told us definitely no. He said there would be no appeal against the Land Appeal Court and he gave us reasons. I am glad to have the

correction of the Minister for Public Works and Local Government. In view of his explanation, my criticism does not apply.

Mr. Heading: I think there is a misunderstanding. There will be a right of appeal on points of law.

Mr. WALSH: I cannot help it if the Minister has not explained the Bill well enough. He told us why there would be no appeal. He said there could not be any justification for appealing on trivial questions of law. Those were almost his exact words. I am glad to have his colleague's correction. Until I see the Bill I shall make no further comment on that. I should only be wasting time and I have very little left.

There are many other features of the Bill, an important one dealing with living areas, which are to be 5,000 acres in some localities. The Minister said there would be special leases of 10,000 acres in the brigalow belt, and, in special cases, up to 20,000 acres. I do not see anything wrong with that or with the 10-year period being based uniformly for the purposes of re-assessing rents. Those can be tried. Although they are not vital in principle they might affect the revenues of the State more than they affect the individual landholder, and they might affect it adversely or favourably. It may be that the judgment of the Land Court will justify the tenant's paying substantially more in rent for the period. On the other hand, the Treasurer may lose.

When I interjected about speculation on Crown leases, I wanted to convey to the Minister the hope that his Government would be big enough to deal with it, even if other Governments had failed to do so. I cannot be blamed entirely for their failure. I know what my own opinion has been, as expressed in this Chamber. I object to Crown lands being taken up, held for brief periods and then sold at very high prices. I have cited cases here. I have shown that thousands of pounds have been made from goodwill in the disposal of Crown lands. If the valuation is to be determined as the unimproved value after deducting the value of improvements, as the Minister said, and if goodwill is taken into consideration, the valuation of some of the grazing lands will rise very steeply.

(Time expired.)

Mr. DAVIES (Maryborough) (5.29 p.m.): I rise to speak for two reasons. The first is the importance of all land matters to the people of the State and to the representatives of all electorates, whether city or country. The second is the attempt of the hon. member for Roma to intimidate hon. members on this side of the Chamber, to gag them and to deter them from rising to speak or from interjecting or passing any comment. Evidently in his opinion one needs to be a grazier to discuss land matters. However, we are not going to be intimidated by any hon. member on the Government side, by any remarks he may pass or any comment he may make. The Premier, the leader of the Government, certainly has it in his power to gag us, as he proved during the Address-in-Reply debate, but we are certainly not going to be gagged by other members of the Government Party. So I rise partly as a protest against the judgment passed by the hon. member for Roma. For many years sitting on the Government side I listened to members of the Labour Government defend the administration of Labour Governments against the false propaganda and incorrect statements of hon. members like the hon. member for Aubigny. In their charges against the Government they spoke about the poor plight of the grazier and the man on the land, excessive rents, etc. In his report, Mr. Payne has summarised excellently some of the achievements of Labour Governments over the years, so far as was within his power within the limitations imposed on him by the present Government. It is partly for the purpose of placing on record a few of the statements in Mr. Payne's report that I rise. The hon. member for Roma said that all people affected by the Bill are inspired by its worthy motives. He said that they took over these properties inspired by no other motive than service to the State and its people. That there are many exceptions to that is demonstrated in Mr. Payne's report. They have been referred to as the salt of the earth. The suggestion was made that the only matter of top priority should be land settlement. We realise the importance of land matters but I speak on behalf of people who would like to get on the land but cannot because they lack the finance of people like the hon. member for Aubigny who after selling out his property in New South Wales had the finance to extend his ventures in this State. The man who goes down the mine is just as important as the man on a station near Birdsville or anywhere else.

Mr. Ewan: I am not denying it.

Mr. DAVIES: You denied it by implication. These people are just as important. It is not in the interests of the State as a whole to put people into classes or groups. The people who suffer droughts are not the only people who suffer. The good honest people who want jobs and cannot get them are suffering even more than the many people you say are on the breadline.

The following statement appears on page 9 of the report—

> "Crown tenants press their case with persistence, and sometimes with arrogance, often with political aid, and even on occasions unleash public propaganda on their behalf."

The hon. member for Warrego has a better grasp of the problems of the people in the West than any other hon. member in the Chamber. In a very clear statement he admirably outlined his views. I will have more to say about propaganda at a later

stage. At the moment I want to remind the Committee of what the Labour Government did in the interests of closer settlement. Recently when I was addressing people in the Gayndah-Monto area I reminded them of what had been done in the Monto and Mundubbera areas. Some of them were astounded. Very clearly in his report Mr. Payne has outlined what the Labour Government did about closer settlement. Let me remind you about some of the facts you endeavour to hide when you try to pull the wool over the people's eyes to make them think that they have been treated badly and that the Labour Government never had a sound policy. It is wrong and unfair. Why not at least be politically decent enough to admit the good work of the Labour Government over the years? People might then have some respect for your opinion.

The CHAIRMAN: Order! The hon. member must address his remarks to the chair and not to an individual hon. member.

Mr. DAVIES: I am sorry. I am afraid I forgot myself in my indignation arising out of the hon. member's unfair attacks by implication. Noondoo station was referred to by the hon. member for Warrego. The lease expired in the 1930's, and as was mentioned in the Press, it was extended to 1949. There was no lack of sympathy there, but there was a lack of appreciation on the part of of the company when the Government decided to break up this area into 27 grazing selections. The graziers' leader rushed into print. I shall quote his remarks, the type of propapanda referred to by Mr. Payne. They contained the following:—

> "A major tragedy dealing a serious blow to the State's wool industry."

After the property was resumed he said:—

> "This country will not carry the same number of sheep as at present; nor will it grow the same number of lambs and produce as much wool. I will even go so far as to forecast that the land, when cut up, will not support as many people as it is doing now."

In order to show what notice should be taken of these people who are imbued with unworthy motives, I quote the following from Mr. Payne's report regarding this area:—

> "Within the ensuing six years the incoming settlers have expended £614,200 on new improvements in developing the country and increasing the carrying capacity to 120,000 sheep. Instead of the few employees of the Company, there are now 94 adults and 60 children residing permanently on the land. Included in these figures are 16 married and 3 single men permanently employed, and 3 casuals."

The story of Noondoo was repeated at Monto, Biloela, Dawson Valley, Pioneer Valley and the Tara district. Who, on the Government side, will say that the Dawson Valley scheme was not a success.

Mr. Ewan: Where is the cheese factory at Theodore?

Mr. DAVIES: The hon. member is not prepared to say it. What did Mr. Payne say about it? This is what he said—

> "The Land Administration Board as the the Irrigation Commission of Queensland—its main achievement was to rehabilitate and extend the Theodore Irrigation Settlement. The Dawson Valley is now one of the most progressive regions in Queensland."

Let us see what the position was in the Monto-Biloela area. At the time of the compulsory resumption the number of occupants was 133, the number of new settlers is now 1,500. The largest individual holding was 168,960 acres and the production from these lands annually was £348,175. For the year 1956-1957 the production in that area amounted to £6,665,426.

We have heard statements about graziers being on the breadline, but many of them have been able to make fortunes in the wool boom years. On page 73 of his report Mr. Payne makes this statement—

> "Notwithstanding the great progress of the State, the huge expenditure on public works everywhere, and the fortunes many graziers have been able to make during the wool boom years, Crown land rents over the past 20 years have increased real money values by only 10.27 per cent."

I invite hon. members to look carefully at the graphs on pages 12 and 74 of Mr. Payne's report.

In paragraph 356 of his Report, Mr. Payne gives an illustration of what has been happening and of the money being made by graziers. It reads—

> "At Cunnamulla in April last, the highest rent determined by the Land Court of Grazing Selections was 10½d. per acre in respect of a good sheep selection at Wyandra of an area of 15,310 acres, well watered, suitable for breeding, and with a carrying capacity of 1 sheep to 4 acres. Calculating the rent of a Grazing Selection at 4 per cent. of its unimproved capital value an unimproved leasehold value of about 22s. per acre is arrived at for this selection. Yet, within a few months of this rental determination the selection was sold, unstocked, for £66,918, of which £63,819 was allocated as the value of the unimproved leasehold. This unimproved leasehold value equals £4 3s. 4d. per acre. Thus the incoming purchaser paid to the seller in advance 95 years' rent to occupy the land; and this in the middle of a drought and with wool prices at their lowest level for years. Notwithstanding this, it is said by some that the rent of 10½d. per acre is too high. Could anything be more foolish and unreasonable?"

The following paragraph says—

> "How a grazier can pay to another grazier 60 years' rent or more in advance for the 'goodwill' of his lease, and then object to pay the Crown a single year's rent for each year of occupancy, is something which surpasses all comprehension."

That statement by Mr. Payne should be studied by the hon. member for Roma, who holds up graziers as paragons of virtue, who says that all the loafers are among the working class.

In the next paragraph Mr. Payne speaks of graziers who are reluctant to pay a moderate rent to the Crown but who wish to obtain the highest price when they sell out themselves. Although the Minister did not say it was covered in the Bill, Mr. Payne, in that passage, points out that there is a strong case for the imposition of price control. Apparently there seems to be need for some such action.

Mr. Payne has made many such statements as the one appearing in paragraph 360, which reads—

> "Such graziers, if they occupied country worth 12d. per acre per annum, would object to paying 1d. per acre in rent."

Rent is one of the many deductions which are made from gross income before the net or taxable income is arrived at. Many people would be surprised to learn of the extent to which the community subsidises the graziers. We hear a great deal about the rents and taxes and the fact that they add to the terrific hurdle the grazier has to surmount before making a profit, but this is another important point made by Mr. Payne in his report—

> "Thus, the lower the rent, the higher the tax."

It is not realised by the community at large the extent to which they (the ordinary public) subsidise the grazier. If a grazier pays 12s. 6d. in the £ income tax, he is reimbursed 12s. 6d. in the £ on his Crown rent, or the community subsidises the grazier to the extent of 12s. 6d. in the £ when that is the particular income tax rate being paid. Before uniform taxation it did not matter so much if Crown rents were unduly low—any revenue loss in rent was given in income tax.

Mr. Ewan: Sir Arthur Fadden did a good job there.

Mr. DAVIES: The public will be very interested in that point.

There is a further important point, and this was dealt with by Treasurers of previous Governments. I have sat and listened to their attempts to convince Opposition members of the day of the falseness of the propaganda being issued.

It is doubtful whether many graziers discriminate between what they pay in rates to Shire Councils, in rent to the Crown and in taxation. In the West most of the shire councils are controlled by graziers. There have been many cases in the last few years where rates have been multiplied by five and far exceed the Crown rent. We know that these points have not been put forward by members of the Government Party, and some attention should be drawn to them. They should be placed on record.

I want to draw attention to certain points in the leasehold policy of the Australian Labour Party, and particularly the Government's endeavour to freehold land as speedily as they feel it is safe for them to do so, keeping in mind that the majority of the people of the State will oppose them at the next State elections as they did at the recent by-election and at the last State Election.

The test of Government is do their actions beneficially affect the lives and welfare of the great mass of the people who make up the community? They are the people to be served. The State is wedded to a policy of leasehold tenure of large areas for the protection and benefit of future generations.

Turning to paragraph 33 of his report we find that Mr. Payne made this statement—

> "It is, of course, fitting that Queensland should lead in its Crown land administration, particularly when matters of development and expiring leases are involved."

That is a review of the actions of Labour Governments over the years in this State. He went on to say—

> "And land officers should strive to see that this will always be so."

He felt that a change of policy on the part of the Government would not be in the interests of the people of this State.

If we look back into the history of Queensland we find that there was a good deal of wisdom in the actions of the early Secretaries of State for the Colonies who were mainly responsible for the land policy of this State. The early statesmen were keenly desirous of providing for all—not the few or the selected families, as the hon. member for Roma said. They were aware of the shortcomings of the English land system and they early determined to prevent anything in the nature of land monopoly in Australia.

In paragraph 65 Mr. Payne says—

> "When Queensland obtained self-government in 1859 Parliament early decided against the wholesale alienation of the Public Estate although the purchase of freehold by some early pastoralists was permitted. Had extensive freeholding or interminable leases been allowed, the land would have had to be repurchased later at a high cost when a demand for closer settlement arose.

As Queensland progressed, the expenditure of public funds in the building of harbours, roads, public works, and railways, and the enterprise of its citizens in the general development of the State, created much higher land values. If the lands had to be repurchased for new settlement, the State, in effect, would have had to pay private persons land values which it had mostly created itself."

All this was prevented by a policy of terminable leaseholds over grazing lands. Agricultural Farms only were allowed to be freeholded."

Then follow these remarks on resumptions—

"Resumption rights were exercisable by the Crown at different times, according to the terms of the lease. These resumptions were without compensation, except for improvements which were paid for by the incoming settler."

Hon. members opposite are continually harping on the advantage that freehold land has over leasehold. In his report, Mr. Payne discusses the matter from the point of view of the welfare of the State as a whole. This is what he says—

'Thus did the Crown obtain, without any cost, extensive areas of partially developed land for progressive grazing settlement."

I have tried to place my views honestly before the Committee. All hon. members should make some endeavour to be honest in their criticism, instead of engaging in a cheap tirade of abuse against Labour Governments. It is only because they fail to be politically honest in their criticism that we do not get the words of wisdom that we have a right to expect from men of undoubted experience in land matters like the hon. members for Roma and Aubigny. Over the years, the Minister at least has given us the benefit of his experience. His advice, of course, has necessarily dealt mainly with agricultural development along the coast, as he has had no great personal experience of land matters in the West. However, whenever he spoke we got from him information that was at least of some value.

I protest against the efforts of some Government members to gag the debate. As usual, the Government are trying to rush through one measure after another.

I have not dealt with propaganda, but Mr. Payne attacks very viciously quite a large number of graziers who refused to give him reliable information, particularly on rentals, when he was trying to get some facts to place before the Government. As a matter of fact, I gather from the report that there is a good deal of inefficiency in the pastoral industry. Mr. Payne reports that costs are not classified as they should be.

(Time expired.)

Progress reported.

BROADCAST OF FINANCIAL STATEMENT

Mr. SPEAKER: Honourable members, I have given broadcasting station 4BH permission to install microphones in the Chamber to enable that station to make a recording of the Treasurer's Financial Statement, which will be delivered at 7.15 p.m.

Mr. DUGGAN (North Toowoomba—Leader of the Opposition): Mr. Speaker, I raise the matter in no sense of resentment or opposition but I should like to know on just what basis permission to install broadcasting facilities in the Chamber is given for particular Ministers or on particular occasions. Is it a privilege that rests entirely with you as a prerogative that you yourself are prepared to exercise? I should like some clarification on the point because we have not been consulted on the matter. I have no particular reason for objecting nor is it a personal matter. I think hon. members of the Assembly are well aware that I have paid tribute to the Treasurer for his capacity to state a case. I do not suggest that we should necessarily have had some notification of it but if facilities are to be provided to bring proceedings of the Chamber before a much wider forum than can be present here, then there may be occasions when the Opposition would like to have similar facilities for such a purpose.

Mr. SPEAKER: For the information of the House, this is the first time that I have been approached on the subject. It seemed to me to be an admirable idea to institute the broadcasting of some of the doings of the House and I was pleased to agree. I have no doubt that if similar applications are made to me they will be given the same sort of consideration.

Mr. Duggan: I am not so optimistic as to think it could happen over here.

TREASURER'S FINANCIAL TABLES.

Hon. T. A. HILEY (Coorparoo—Treasurer and Minister for Housing) presented the tables relating to the Treasurer's Financial Statement for the year 1959-1960.

Ordered to be printed.

ESTIMATES-IN-CHIEF, 1959-1960

Mr. SPEAKER read a message from the Deputy Governor forwarding the Estimates of the probable Ways and Means and Expenditure of the Government of Queensland for the year ending 30 June, 1960.

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

SUPPLY

OPENING OF COMMITTEE—FINANCIAL STATEMENT

(The Chairman of Committees, Mr. Taylor, Clayfield, in the chair.)

Hon. T. A. HILEY (Coorparoo—Treasurer and Minister for Housing) (7.17 p.m.), who was received with Government "Hear, hears!", said:

MR. TAYLOR,—

In a centenary year, the Budget should do more than merely contain a brief summary of the year which has passed and an estimate of the year ahead. I propose to open with a brief historical survey, distinguishing the more important trends and incidents of the past century. I shall also spend more time than is usual in examining the financial position of the moment.

The periods and incidents which deserve mention can be listed, in order of incidence, as—

The pre-Federation Period
The Early Years of Federation
War and the Consequences of War
Formation of the Loan Council
The Interlude of Depression
Again War
The Welfare State
Uniform Tax
Competition for Public Transport.

Briefly surveying each of these in turn, the period up to Federation, during which the State exercised the full powers of Government, saw tiny administrative costs, low levels of taxation and public debt, and trifling services. Education was almost entirely confined to the primary level. Rich mining discoveries and a financial collapse in the 90's were features of this period.

The early years of Federation brought little change to the basic tempo. The new Federal Government was largely exercised in the transition of the services for which it became responsible. Whilst the State had lost customs and excise revenue, it was able to introduce an income tax at a scale sufficient for its still modest needs.

These, broadly, were years of financial ease for the State. Indeed, every year from 1904 to 1916 recorded a surplus in the Consolidated Revenue Fund.

Against this background of rustic content swept the cataclysm of World War I. Its effects were far deeper than those of any previous war. For the first time the National Debt of Australia assumed substantial dimensions and this, added to first by the conduct of the war itself and later by the cost of repatriation, led to growing Federal demands from the total tax resources of the Nation.

But this by no means exhausts a broad statement of the effects of war. It is one of the rather strange consequences of war in our times that it provides a tremendous stimulus to productive capacity, to technical advancement and even to social consciousness. These were reflected in added responsibilities to the State in the field of Education and an extension of Social Services.

With the war over and the major task of re-establishment well in hand, our national finances settled down to a period in which, both in the Federal sphere and in the State, there was an increase in administrative costs and responsibilities, extra services, and a slow but steady increase in the level of taxation and the public debt. This trend continued through until the late 20's when the advancing but still unrecognised indications of the depression to come helped to trigger off the next important feature, the acceptance of the Financial Agreement, which led to the formation of the Australian Loan Council.

The rising needs for development in a community that was re-aligning itself from a dominantly pastoral and agricultural setting to one which included a growing content of secondary industry, brought about a competition in the raising of loan money between the States and the Commonwealth and, worst of all, between the States themselves. This competition undoubtedly ran heavily in favour of the lender, to the detriment of the borrower. The Financial Agreement produced order out of chaos and over the thirty years of its subsequent functioning has repeatedly proved its basic desirability. Indeed, Queensland's only quarrel with the functioning of the Loan Council relates to the division of the total loan resources.

Hardly had the Loan Council been established, than the full impact of the depression was felt. If its worst years were from 1931 to 1933, it can fairly be said that the period between 1933 and the commencement of World War II. in 1939 was nothing more than a climbing back towards prosperity. During the worst period of the depression, public finance throughout Australia suffered heavily and deficits of an unprecedented order were recorded. In the period of recovery, public finance continued to be a matter of some difficulty and, in the case of Queensland, budgetary equilibrium was only commanded at the expense of maintaining rates of taxation which were the highest then prevailing in any State in Australia.

Once again war engulfed the Australian Nation and on this occasion presented a more severe test of all the Nation's

resources. Very quickly, in order to enable the maximum command of resources for the prosecution of the war, it led to the, at that time, temporary device of uniform tax, a device which has had queerly contrasting results at different stages of the years that followed.

For the balance of the period of war, when the demands on Commonwealth resources were rising at a prodigious rate, the State found itself in the quite remarkable position of commanding a guaranteed income at a time when its ability to employ its resources was necessarily subordinated to the national war effort. Still later, came the further help of maximum rail revenues as the theatre of war moved closer to the north-eastern shores of the continent. From 1942 to 1945 the State reached a position where its revenues exceeded its capacity to employ them and, indeed, during this period substantial reserves were established.

With the war over, the Nation once again settled down to the task of re-establishment and rehabilitation and it is significant to mention that once again it was found that many features of public responsibility were stimulated into a greater activity. As a result the level of Social Services was pushed still higher. A steep increase in the State's educational effort was accepted together with new responsibilities on a previously unprecedented level for various aspects of public development. Water supply, irrigation, and electricity, to mention but a few, are some of the important directions in which entirely new pressures commenced to be felt at the Treasury.

In the Federal sphere the war and early post-war periods saw the real move towards the welfare state. There had been a much earlier commencement under such headings as Old Age and Invalid Pensions, but the new surge of social services introduced in these years included Child Endowment, Widows' Pensions, Commonwealth Unemployment and Sickness Benefits, Hospital Benefits and Pharmaceutical Benefits.

Very soon after the end of the war, it was found that the temporary device of uniform tax had become a permanent feature; and it was not long before it was realised that the very contrivance, which had heaped riches on the State during the remaining years of war, proved to be a device to impoverish the State in the subsequent years of peaceful development. From 1947-48 onwards, the State commenced to re-experience periods of budgetary difficulty and in some of the more recent years, the appearance of equilibrium was preserved only at the expense or eating heavily into accumulated reserves of the war period.

During this same post-war period, the Commonwealth, which by now monopolised all the major forms of taxation, that is, customs duty, excise, sales tax, pay-roll tax, and income tax, was able not only to expand its own expenditure at a rapid rate, but also to build very impressive reserves in the form of recoverable investments in directions such as the Snowy Mountains Project, or by loans from its own revenues to the States. Still further, for many of these years the Commonwealth was able to cover the whole of its requirements for capital expenditure out of its revenues whilst the States, over the same period, found it necessary to push their public debt to an ever higher level.

It would be quite wrong to conclude that the growing difficulties of the States were wholly attributable to uniform tax. On the contrary, there can be little doubt that much of the difficulty, which was and is still being experienced, flowed from another indirect consequence of World War II. It was the needs of war which introduced new forms of transport of large capacity and fast speed. This showed out both in the air (largely in relation to passengers) and on the roads, where the effect was principally in the transport of goods. The State, therefore, was obliged to provide for the construction of an ever-lengthening and ever-improving network of roads; and the more it succeeded in this task, the more it opened the way to a vigorous and efficient road transport industry which took an ever-increasing toll of the Railway revenues of the States.

It can, I think, fairly be said that, as yet, no State has discovered the perfect answer to this problem and, indeed, while Section 92 of the Commonwealth Constitution is interpreted in the presently accepted manner, I doubt whether an adequate answer is available. But I can best illustrate the growing effect of this competition by pointing out that, in the whole history of Queensland, from the time when its Railways were first established right up to the year 1950-51, the Railways in each year succeeded in earning an amount of fares and freights in excess of their operating expenses. It could not be said that in each of those years that excess was enough to pay interest on the capital invested in the railways, but at least all operating expenses were covered with something to spare.

Since 1951, that picture has changed sharply. To-day, State finances are under necessity to contribute a substantial sum towards the excess of operating expenses over current receipts and, in addition, bear the interest burden of ever-growing Railways investment.

At this point, it will help Honourable Members to trace the story of each of these periods in the figures which are set out in the following summary:—

Period and Year	Taxation per Capita		Gross Public Debt per Capita (at 30th June)	
	State	Federal	State	Federal
	£ s. d.	£ s. d.	£ s. d.	£ s. d.
Pre-Federation years 1860	2 4 11	..	..	..
1875–6	3 11 5	..	38 2 9	..
1895–6	3 10 9	..	74 10 2	..
Early years of Federation 1905–6	19 1	2 4 8	79 8 9	..
World War I 1913–4	1 7 4	3 7 11	83 2 1	3 17 11
1918–9	3 19 3	6 9 1	91 6 9	47 2 0
Loan Council 1926–7	5 10 10	9 12 9	121 18 11	61 0 0
Depression 1932–3	6 0 4	8 10 0	120 17 5	47 16 2
Recovery 1938–9	8 11 6	10 13 9	125 4 11	45 12 3
World War II 1945–6	8 15 0	42 13 2	122 6 9	242 19 8
Post-War 1950–1	16 11 2	75 13 1	137 3 7	219 14 5
1957–8	30 17 0	98 14 5	201 10 10	176 4 0

(Sources—Queensland Year Book, Commonwealth Year Book and Federal Budgets, converted to a per capita basis where not already expressed in that form.)

Tax reimbursement grants are included as State taxation and excluded from the Federal figures.

No adjustment has been made for that part of customs and excise revenue paid to the States in the early years of federation.

This summary brings us right up to the present day and it is against that dual background of difficulty, that is, the effect of uniform tax as it was then applied, and the growing problem of competition for public transport, that I proceed to report the next signal change which has done much to relieve one of these difficulties.

Following very lengthy submissions on behalf of the State and with a common attitude by the Premiers of all States, conferences were held with the Federal Government in March of this year and again in June last. The outcome of these conferences was that the formula of reimbursement to the States was completely reviewed and notably improved. The essential changes in the basis of entitlement were that the old basic formula (to which the State had a right) and the supplementary grant (which depended entirely on the decision of the Commonwealth) were amalgamated into a new basic grant; in addition, the arithmetic of calculation was upgraded and the new entitlement was made subject not only to appropriate annual escalation in relation to movement of population and in the average wage, but to a small added betterment factor designed to allow for the need for either new or augmented services.

The effect of this improved formula can best be set out in this manner. For last year the amount received under the old basis was £31.9 million. Had the old basis still persisted, the amount that would have been receivable this year would probably have been £34.2 million. Under the new formula, the amount that will be received is £36,375,000.

Now, this improvement is sufficient to change the picture of State finances from one of gross insufficiency to one of barest sufficiency. As the new formula figures expand, it will be seen that if this new arrangement does bring about a notable improvement in the sharing of the income tax reimbursement, it in no way touches the great and ever-growing problem of the effect on the State finances of road competition with the Railways.

For this year, it is anticipated that our total revenues will amount to £101,864,685 and our expenditures to £101,849,218, leaving an anticipated surplus of £15,467.

This surplus has been possible only as a result of a severe cutting in the requirements of every Department of the State. The degree of cutting that was applied was determined by a decision of the Government that, with the improved basis of tax reimbursement, the State should endeavour to present a balanced budget.

This decision, in turn, was influenced by two conditions which were attached to the Commonwealth offer of an improved tax reimbursement formula each of which was accepted by the State. The first condition was that the States should continue to pay pay-roll tax, an obligation which was surrounded by very grave doubts as to its validity. The position is, therefore, that, on this issue, whatever the legal validity, the State, by accepting the improved tax reimbursement formula, has virtually contracted to pay.

The second condition was one which had particular reference to the States of South Australia and Queensland. South Australia had been, for some years, an aided State, receiving substantial annual grants on the

recommendation of the Commonwealth Grants Commission. Queensland has made application to become an aided State and to have its case referred to the Grants Commission. No action was taken by the Commonwealth to refer the matter to the Commission and, instead, the Commonwealth presented an improved formula for reimbursement, to which I have made reference. It was a further condition of the offer of the improved formula, that the State of South Australia should retire from its position as an aided State and that Queensland should withdraw any application; and that neither State should again apply to become an aided State except in special or unexpected circumstances which endangered their budgetary position in relation to other States. This further condition was accepted by both South Australia and Queensland with the result that this State had undertaken that it will not, in ordinary circumstances, apply to become an aided State. This arrangement for tax reimbursement, with all its associated conditions, applies for a period of six years. It follows from this that deficit finance would now involve the prospect of funding any such deficits from loan and to this extent would weaken the State's entitlement to future loan allocations under the Loan Council formula.

For this reason, the Government considers that the changed circumstances are compelling reasons for presenting a balanced budget and that which is now brought down reflects the Government's policy.

1958-59

Seasonally, the year that concluded on the 30th June last was more favourable than its predecessor. Drought in the south-western corner of the State continued to cause anxiety but there was a high, and in some cases record production in the main farming areas, a remarkable recovery by the dairying industry and a record experience with beef cattle. Severe floods and cyclones in North Queensland again took some toll without equalling the localised severity of the calamity that befell Bowen in the previous year although that unfortunate but courageous town again experienced a severe buffeting. The improved conditions led to recovery of revenue which, whilst insufficient to restore budgetary equilibrium, did allow the State to face up to some responsibilities which will be enumerated later.

Consolidated Revenue Fund

Receipts of the Consolidated Revenue Fund for the year 1958-59 were £93,795,603, while expenditure amounted to £94,986,459, resulting in a deficit of £1,190,856 as compared with the Budget Estimate of £1,828,299. Revenue for the year 1958-59 fell £408,207 short of anticipations but was £5,840,028 in excess of the preceding year. Expenditure was £1,045,650 below the estimate and, excluding the funding of the accumulated deficit, exceeded that of 1957-58 by £5,516,576. The deficit of £1,190,856 was unfunded at 30th June last and I shall relate the proposals of the Government for meeting that amount.

In dealing with this subject in the presentation of previous Budgets, care had been taken to distinguish between those items which were, in reality, the subject of a Trust and those which, while contained in the Trust and Special Funds, truly represented free reserves to the State. In applying this distinction, last year's summary treated the amount contained in the Succession and Stamp Duties Suspense Account as a Trust. Substantially, it represented amounts paid into the Office on account of duties not yet assessed.

A study of the accounts of all other States in Australia disclosed that no other State apparently applies such a distinction. The view was taken that all such amounts as received should be paid into the Consolidated Revenue Fund and that, if on the final adjustment a refund be necessary of part of the amount, it should be charged against the receipts of the Consolidated Revenue Fund. After considering this general pattern of treatment throughout Australia, the Government has decided to follow the same practice in relation to this State. This Account was in credit at 30 June last in the sum of £1,591,920, exclusive of Stamp Duties Suspense items. A study of the estimates will show that of this amount, the sum of £1,190,857, the exact amount of the deficit for the year, has been applied to extinguish that deficit; this amount and the remainder amounting to £401,063 have been included in the revenue estimates of the Succession and Stamp Duties Office for the current year.

Most items of receipts finished remarkably close to the estimates, the only substantial exception being Railways where, in spite of a material improvement over the performance of the previous year, collections were almost £1 million under the estimate. Expenditure followed very closely to budgetary anticipation, small underspendings being well spread over most of the Departments. Details of the actual receipts and expenditure are shown in the accompanying Tables.

Trust and Special Funds

Transactions in the Trust and Special Accounts show that receipts of £65,896,234 fell short of expenditure totalling £69,567,531, but included in that expenditure were transfers totalling £5,211,595, representing the appropriation of various reserves to clear accumulated deficits up to 30 June, 1958. The cash balance of the Trust and Special Funds at 30 June last was £6,071,531. There are full analyses of receipts, expenditure and balances contained in the Tables attached to this statement.

LOAN FUND

It was anticipated for 1958-1959 that Loan Fund expenditure would amount to £27,734,582. In fact, £28,174,507 was spent from the following sources—

	£
Loan Raisings	21,250,000
Loan Repayments, etc.	5,106,986
Loan Stores Suspense Accounts repaid	1,643,111
Loan Fund Cash	174,410
	£28,174,507

Total Loan Fund expenditure (after allowing for credits to Suspense Accounts) was £26,531,396 as compared with £23,190,433 in the financial year 1957-1958.

The Cash Balance of the Loan Account fell from £310,825 at the end of the previous year to £136,415 at 30 June last. It will thus be appreciated that we are utilising capital funds to the greatest possible extent.

A large amount of loan money has been released from Suspense Accounts by either drastically reducing the quantity of stores held or by eliminating items from the Accounts and, in one case, abolishing the Account altogether. The effect has been that the figure of unappropriated loan expenditure incurred under Suspense Accounts as at 30 June, 1957, namely, £6,786,191 was reduced to £4,267,518 at 30 June, 1959. Thus, approximately £2.5 million has been made available for capital works. The largest contribution made to this availability came from Railways Stores Suspense Account which dropped from £5.1 million at 30 June, 1957, to £3.5 million at 30 June, 1959.

CASH BALANCES AND INVESTMENTS

The Cash Balance of the State stood at £5,017,089 at 30 June, 1959, having increased by £170,294 during the year. The balance is made up as follows:—

	£	
Trust and Special Funds ..	*Cr.*	6,071,530
Loan Fund	*Cr.*	136,415
		6,207,945
Consolidated Revenue Fund ..	*Dr.*	1,190,856
		£5,017,089

In addition, the Investments of Trust and Special Funds and Loan Fund Cash as at 30th June, 1959, amounted to £11,219,524 representing the cost price of £11,583,250 of Commonwealth Government Inscribed Stock. The return to Consolidated Revnue Fund of this investment for 1958-59 was £355,550.

In terms of the Agreement dated 1st April, 1921, entered into by the State of Queensland and the Commonwealth Bank of Australia whereby it was agreed that the banking business of the Government would be performed by the Bank, interest was allowed at one per cent. on the credit balance of the current account when the balance of the account exceeded £100,000 but not on any excess above £400,000. The maximum amount on which the State could obtain interest was therefore £300,000. I am pleased to be able to inform the Committee that the Bank has agreed to pay interest at one per cent. on the full balance of the Government's current account from day to day as from 1st July, 1959.

PUBLIC DEBT

The Public Debt of the State rose by £17,522,655 during the year from £285,947,364 to £303,470,019.

Transactions in 1958-59 may be summarised—

	£	£
Loan Raisings—		
Public Loans—		
Australia	16,265,786	
London	1,867,586	
New York	1,098,628	
Domestic Raisings ..	2,018,000	
		21,250,000
Add Discount		79,932
		21,329,932
Less Additional Proceeds on Overseas Loans not included in Debt		969,730
		20,360,202
Less Redemptions by National Debt Commission ..		2,837,547
Increase in Public Debt ..		£17,522,655

Discounts totalling £79,932 have not been charged to Consolidated Revenue Fund as in the past but are being temporarily carried in the Loan Fund Account pending future funding under the relevant Loan Act.

The balance held on behalf of Queensland in the National Debt Sinking Fund was £141,503, thus giving a net public debt figure at 30th June last of £303,328,516. Last year the Consolidated Revenue Fund was charged £14,208,360 on account of public debt services which comprised—

	£
Interest	11,036,873
Sinking Fund Contributions ..	2,377,857
Exchange on Overseas Interest Payments	598,641
Flotation Expenses of Loans ..	130,898
Debt Management Charges ..	64,091

The continued growth in the requirement for servicing the public debt of the State is likely to exert quite a strong influence on future financial policy. Obviously, there is a marked contrast in the high recovery classifications which can be illustrated by expenditure of loan money in respect of Agricultural Bank and Housing, where the recovery has proved to be dependable and the contribution to interest rate material; on Electricity where again the recovery of both interest and redemption has been very substantial; and Forestry where, in spite of a considerable delay in harvesting, a high factor of recovery appears to be certain.

On the other hand, expenditure on public buildings is a purely service expenditure showing little or no recovery; Irrigation has so far shown no capacity to do more than recover its operating costs and no capital recovery seems in prospect; whilst Railways, although showing improved services and reduced operating costs from some of their important expenditures, are unable to lift

revenue to a level sufficient to cover current operating expenditure let alone make any contribution to the interest and redemption of loan expenditure. In addition, there is the very heavy drain on the Loan Fund under the heading of Subsidies to various Local Authorities and Electricity Boards. Last year, the subsidies required no less a sum than £4,952,950 and, of course, are wholly irrecoverable.

Desirable as each of these low recovery items is, the State cannot afford to continuously meet too high a percentage of unproductive Loan expenditure. To do so involves a greater relative growth in the net interest and redemption charge on the State than the trend towards expansion in its revenues. The skilful management of the Loan Fund to command the highest possible degree of productivity from its expenditure will, I think, be one of the necessary features of future financial administration.

Loan Raisings, Redemptions and Conversions

For the year 1958-59 the Loan Council approved a governmental borrowing programme of £210 million for State Works and Housing.

Three public cash loans were issued in Australia all of which were oversubscribed, particularly the February 1959 issue which coincided with the introduction of the short term market. Overseas loans in New York and London were well supported and the new securities issued in Australia during the year —Special Bonds—were an outstanding success.

The public cash loans in Australia were issued at 4 per cent. for short term, 4¼ per cent. for medium term, and 5 per cent. for long term securities. The short and medium term securities were issued at discounts ranging up to 15s. per cent. Queensland's share of the proceeds of these loans was £13,676,786.

From the issue of Special Bonds, Queensland received £2,589,000. Series "A" producing £2,229,000 and Series "B", £360,000. The Bonds are issued at a rate of 4 per cent. which rises progressively to 5 per cent. over the term of the loan and the redemption value commencing at par also rises progressively to £103 at maturity.

In October, 1958, loans were floated in both London and New York from which Queensland received cash proceeds of £2,966,214. The London loan of £15 million sterling was issued at 5½ per cent. at a price of £98. Cash proceeds in London available to Queensland were £1,489,600, which on transfer to Australia, with the rate of exchange, provided £1,867,586. In New York $25 million were raised at 5 per cent. at a price of £97 10s., Queensland's share of cash proceeds in New York being $2,466,750 which, on transfer to Australia, provided £1,098,628.

Domestic raisings for the year amounting to £2,018,000 were obtained from the Commonwealth Savings Bank in terms of the Savings Bank Amalgamation Agreement; £1,484,000 was raised at 3¾ per cent. for 25 years and £534,000 at 4 per cent. for the same term.

Conversion operations were again heavy in 1958-59. In Australia securities offered for conversion aggregated some £326 million of which the Queensland portion was £7,801,710. Redemptions amounted to £1,917,710 and the balance £5,884,000 was reissued under the terms and conditions of the accompanying cash loans, £239,000 being converted to Special Bonds. In London £20,675,100 3½ per cent. securities matured on 1st June, 1959. £675,100 was redeemed and the balance of £20 million was converted at a discount of one per cent. to two series of 5½ per cent. securities of £10 million maturing in 1973 and 1979 respectively. Queensland was interested to the extent of £3,496,000 in the new loans.

There were no maturing loans in New York last year.

£697,660 Commonwealth Government Instalment Inscribed Stock at 3 and 3½ per cent. matured during the year and was converted to £420,650 at 4¼ per cent. and £277,010 at 4½ per cent.

Sinking Fund

Redemption of securities on behalf of Queensland by the National Debt Commission during the year amounted to £2,837,547 at a cost of £2,910,235. Details of transactions are—

	£	£
Balance 1st July, 1958		38,472
Receipts—		
Contributions by the Commonwealth	670,690	
Contributions by the State ..	2,377,857	
Interest on Investments, etc.	8,550	
		3,057,097
		3,095,569
Expenditure—		
Redemptions	2,910,235	
Discount on London Conversion Loan	43,831	
		2,954,066
Balance 30th June, 1959		£141,503
This balance was domiciled as follows :—		
Australia	64,658	
London	14,854	
New York	61,991	
		£141,503

It will be noted that advantage has been taken of the provisions of Clause 12 (20) of the Financial Agreement to utilise Sinking Fund moneys to pay the cost of discount to convertors in a Conversion Loan in London which was effected in March, 1959 last at a discount of one per cent. In terms of this clause discount to convertors is repaid to the Sinking Fund over the period of the loan.

Since inception, the National Debt Commission has redeemed £39,563,011 of debt on behalf of the State at a cost of £41,334,636.

ESTIMATES FOR THE YEAR 1959-60

As was shortly stated in my opening remarks, the improved formula for income tax reimbursement brought about a changed background for the preparation of this year's Budget and enabled the Government to pursue some of the financial policies on which it had already embarked. The results for last year reflect only part of the annual cost of the important changes which had taken place in the State Public Service Superannuation Fund and the reclassification of the Public Service. The Budget which is now brought down gives effect to a full year's requirements for the Public Service Superannuation Fund at the new level of benefits; as well as for a full year's cost of the reclassification of the Public Service, something which has had reflected effect in a number of other sections of Crown employ. These added requirements, which brought our Public Service somewhat in line with the other States, ate heavily into the extra funds that were available and the Government has found it is necessary, in order to command a very modest increase in the services of some of its departments, to command some additional revenue. I shall outline the important changes which are contemplated.

CONSOLIDATED REVENUE FUND

REVENUE

It is anticipated that the receipts of the Consolidated Revenue Fund will aggregate £101,864,685, an increase of £2,857,487 over last year's collections, which included £5,211,595 transferred from Trust and Special Funds. It is interesting to note that the State will, in its Centenary Year, experience revenues exceeding £100,000,000 for the first time in its history. Additional revenue is anticipated from the following sources—

	£
Tax Reimbursement Grant	4,480,734
Railways	620,761
Stamp Duty	297,187
Interest	220,729
Transfer of Crown Leases	200,000
Succession and Probate Duty	164,830
Timber	150,000
Land Revenue	146,168
Mining	139,108

There will be increases in the rates of Stamp Duty applying to a few classes of transaction, particulars of which I shall set out subsequently.

There will be a substantial revision of the laws dealing with Land Tax and with Succession and Probate Duty but it is not anticipated that the changes will alter the total anticipated revenues from these sources.

There will be a new charge levied on the transfer of Crown leases.

With Land Tax, exemption will be lifted from £700 to £1,000 in the case of town lands and from £1,900 to £3,000 in the case of country lands personally worked. The provisions concerning undeveloped land, which have been inoperable for sixteen years and were poorly productive and administratively difficult in the earlier years when they did operate, will be repealed. The rates of tax will be completely reviewed, the existing tax and the separate super tax being combined into a single scale, which will no longer manifest the sharp steps which have prevailed up till now. In their place, there will be a gradual progressive scale along the lines of the method applied in the Federal Income Tax Act and this new graduated scale will have the effect of removing the very bad anomalies which unquestionably occur under the old table where the rate of tax moved in abrupt increases. The rates have been designed to lessen the impact of Land Tax up to the level of a taxable value of £10,000 but will gradually increase after that point, the same total product being anticipated.

It is anticipated that the effect of the increased exemptions will be to dramatically reduce the number of taxpayers from 25,289 at 30th June, 1958, which figure fell to 17,401 at 30th June, 1959, to approximately 11,000 when the new rates come into effect.

In the case of Succession and Probate Duty, it is proposed to amalgamate the present Succession Duty (which is based on the value of the estate as at the date of death) and Probate Duty (which is based on the value of the estate as at the date of grant of probate) into a single duty which will be based entirely on the value of the estate as at the date of death. As with Land Tax, the rates of duty will be calculated on a basis of gradual progression and the inequities which are inherent in the abruptly stepped rates of the present scale will be ended. There will be a number of changes of a fairly technical character designed to correct anomalies or to tighten recoveries. The technical character of these changes makes a lengthy explanation necessary and I propose to defer the outlining of those changes until the amending Bill is introduced. There will be a slight lifting in exemptions and the new rates will be calculated to provide the same amount of duty as would be recoverable under the present law.

It is proposed to increase the rates payable in respect of some stamp duties to those payable in New South Wales.

The stamp duties concerned are those payable on

conveyances
transfer of shares
hire purchase agreements
policies of insurance

It is anticipated that these variations will result in an increase of £690,000 for a full year and half that sum during the current year.

After careful consideration, the Government has decided to introduce a higher transfer fee on the sale of Crown leases. It is estimated that the additional revenue derived under this heading will amount to £200,000 for the portion of the year to which the duty is likely to apply.

Notice of Bills giving effect to the aforementioned matters will be given at an early date and it is proposed to bring them before the House speedily so that Honourable Members may be acquainted with the precise detail of the Government's proposals.

As was indicated last year, steps were taken to review pilotage fees, etc. It is anticipated that the revenue this year will amount to £369,000 at which level the revenue will broadly cover the costs of providing the various services of the State to the maritime industry.

There is one new practice to which reference should be made. The State does not receive its revenues or incur its expenditure in an even pattern. The result is that there are some periods when the cash balances of the State are high; and there are other periods in the same year when our cash reserves become depleted close to, or even to the point where it is necessary to have temporary recourse to Treasury Bills.

There has grown up, within the Australian financial system, a number of short-term discount houses. These are licensed by the Central Bank and their method of operation is to cover any deposits with the purchase of short-maturing Commonwealth securities which may be lodged with the Registrar of Commonwealth Government Inscribed Stock in the joint names of the discount house and of the depositor and the deposit receipt for the securities placed in the hands of the depositor. The Central Bank protects the recoupment of the deposit by acting as lender of last resort.

A careful study of the cash trend of the Queensland Treasury has shown that advantage can be taken of this practice. The sum of £2 million has been deposited for a period of three months. It is anticipated that interest earnings will amount to not less than £15,625 and provision for this new form of interest has been included in the estimates of receipts.

EXPENDITURE

The policy of preparing a balanced Budget made it necessary to heavily reduce Departmental requirements and the real picture is not one of modest comfort but of the barest sufficiency. If the total level of spending, excluding the funding of deficits, amounts to £100,658,361, an increase of £5,671,902, or 5.97 per cent., over the previous year, it will allow little scope to any Department to embark upon important new activities.

The critical causes of this difficulty are to be found in the added burden of that portion of the public debt which is expended on non-recoverable items; and the increasing difficulty of retaining a sufficient demand on our transport services to allow Railway revenues to match its costs. Both these features will have to be watched with the greatest of care. If both can be corrected, then the new tax reimbursement formula should enable the State to pursue a policy of modest expansion. If neither is corrected, then the State is faced with a prospect of increasing difficulty in its budgetting.

TRUST AND SPECIAL FUNDS

A total of £76,904,076 is sought for expenditure from the Trust and Special Funds compared with an actual expenditure of £69,567,531 for the previous year. Provision has been made for the sum of £3,300,000 to be expended from the Mount Isa Railway Trust Account, whilst there is an increase of almost £3 million in the appropriation from Main Roads Fund, estimated expenditure from that Fund rising to the record level of £16,269,231. In addition, increased expenditure is anticipated from the Commonwealth Aid, Local Authority Roads, Fund and the Road Maintenance Account.

LOAN FUND

In framing its Loan Fund estimates, the Government has again given effect to its scheme of priorities. In lifting the vote for buildings to £5,550,000, special consideration has been given to Technical Colleges, State High and Post-Primary Schools, whilst Court Houses and Police Buildings have received added attention. On commencing the Mount Isa project, the Government felt it prudent this year to set aside £1,900,000 instead of £1,400,000 which had been earlier envisaged. The amount set aside for the Farm Water Supplies Assistance Fund has been lifted from £50,000 to £110,000. The Government regards this direction of expenditure as being quickly productive and speedily recoverable. Financially, this form of irrigation activity is as quickly rewarding as the major form of irrigation activity has proved slowly disappointing.

A notable feature of the Railways loan programme is the provision of £2 million for new rolling stock.

Although the State has been able to command a steady increase in its Loan Fund expenditure, it is still necessary to heavily curtail programmes and many desirable works, of necessity, have had to be deferred. The loan borrowing programme submitted to the Loan Council totalled £30,430,000 and, in addition, £4,743,000 was sought under the Commonwealth-State Housing Agreement. Queensland's allocation for this year amounts to £26,230,000 in all which the Government apportioned £22,750,000 for works and £3,480,000 for Commonwealth-State Housing.

It is proposed to utilise the following moneys towards the 1959-60 Loan Works Programme:—

	£
Loan Raisings	22,750,000
Loan Repayments, etc.	6,528,000
Debenture Loan to Agricultural Bank	500,000
Trust and Special Funds—	
Mount Isa	1,400,000
Other	1,935,000
	£33,113,000

DEBENTURE PROGRAMME

The growing importance of this section of public finance warrants special mention and I propose to deal briefly with some of its features.

Loan Council approval was received to raise £19,370,000 for the year 1958-59. During the year, an additional approval was received to raise a further £1 million on the understanding that it be allocated to the smaller Local Authorities. Although the total allocation was £1,767,000 above that of the previous year, it was fully raised, thus providing 100 per cent. performance for the second year in succession.

In order to facilitate transfers of allocations from some Local Bodies which, for varying reasons, were unable to raise their full allocation, to others which were able to usefully employ extra amounts, a direction was given that all allocations would lapse on 20th June, unless raised or covered by a nominated lender. In the current financial year, this date has been advanced to 31st May, 1960.

The State has available for investment a growing total of internal funds such as Superannuation Funds which, in the past, have been placed exclusively in Commonwealth loans. Partly to secure the benefit of higher interest rates, partly to assist their borrowing programmes, the sum of £1 million has been made available for lending to public bodies and offers have been made in roughly equal proportions to all Local Bodies except those where the proportionate amount would be too tiny to warrant separate loan procedures.

COMMONWEALTH-STATE FINANCIAL RELATIONSHIPS

Since my last Budget was brought down it is possible to report considerable headway. I have already dealt with the notable improvement in the Tax Reimbursement Grant; there was a slight betterment in the share of the loan programme; material aid is being received for flood and cyclone damage; whilst the latest Federal Budget extended many social services to aborigines.

Queensland's share of the Federal Aid Roads Grant was a smaller percentage of a higher amount, an improved receipt but a falling off in relative entitlement. Two matters of long standing, the intercensal figure on which the tax reimbursement grant is based, and the recognition of aborigines for tax reimbursement grant, remain unresolved.

Special claims for assistance are being presented covering access roads in the western channel country and the development of the Cape York Peninsula: both these matters are referred to later.

When agreement was reached in June last at the Premiers' Conference dealing with tax reimbursement, there were certain stated general conditions which were mutually accepted. These were that the States would not question the obligation to remit pay-roll tax, whilst it was laid down that the relative positions of the States and the Commonwealth in the tax field should continue unchanged.

In those circumstances, it was a shock to find that the recent Federal Budget contained three provisions which either benefited the Commonwealth or adversely affected all the States. These were—

Postal charges were increased

Telephone charges were increased

"Free" air mail will involve a loss of Railway revenue.

The effect of the above factors is hard to precisely measure. At this stage it appears that it will increase our expenditure on postage by £47,256 and on telephones by £49,902. The loss on the carriage of mail must await physical measurement. The present annual payment is £236,533 and I am unable to measure the adverse effect until the result on loadings is known.

The Government regards these increases as transgressing if not the letter, certainly the spirit of the June agreement. It proposes to raise these matters at the next Premiers' Conference.

Pay-roll tax presents an ever-increasing load. For this year, the requirement is £1,634,000, an increase of £105,000 over that of the previous year.

LOAN PROGRAMME

The total Governmental borrowing programme approved by the Australian Loan Council for 1959-60 is £220 million, an increase of £10 million over the previous year. Of this amount Queensland has been allocated £26,230,000, or £18 per head, compared with £24,560,000, or £17 4s. 6d. per head, for 1958-59. This year's allocation again represents some improvement in our percentage of the total allocation as we received 11.92 per cent. compared with 11.70 per cent. last year and 11.58 per cent. during the preceding three years.

FLOOD AND CYCLONE DAMAGE

Representations were made to the Commonwealth Government seeking assistance in respect of the 1958 and 1959 flood and cyclone damage. The basis of the Grant approved by the Commonwealth was

£170,000 as a contribution on a pound for pound basis towards expenditure incurred by the Government in the relief of personal hardship and restoration of its assets damaged by the cyclones. It has also offered £130,000 on a pound for pound basis with contributions by the Queensland Government towards expenditure incurred by local authorities in respect of cyclone damage to their assets. These grants could provide up to £300,000 of which £87,328 had been received to 30th June, 1959.

I desire to gratefully acknowledge this assistance and to pay a tribute to those Members of the Federal Parliament whose active interest and support helped to secure this greatly valued relief.

ABORIGINES

Queensland is placed in an anomalous position in respect of its aboriginal population. Full-blood aborigines are excluded from the normal population estimates made by the Commonwealth Statistician for the calculation of tax reimbursement grants. Thus the State receives no tax revenue on this account but, on the other hand, meets the full costs of aboriginal welfare since pensions and certain other Commonwealth social service benefits have not been paid in respect of aborigines in settlements and reserves. In relation to other States this cost presses heavily on Queensland. According to the latest statistics available about 50 per cent. of total full-blood aborigines in employment or living in proximity to settlements in the six States are recorded in this State.

There are two factors which may now relieve this position—

(*a*) *Payment of full social service benefits to aborigines.* The Commonwealth Government has decided to extend full social service benefits to all aborigines except those who are nomadic or primitive. The expected cost of this concession is £500,000 in 1959-60 and £1,000,000 for a full year. A substantial proportion of this will flow to aborigines in Queensland and must relieve State resources to some extent in the future, although this cannot be estimated at present. It is satisfying to know that the Commonwealth will, in future, be sharing the responsibility for the welfare of these natives of Australia with the State.

(*b*) *The inclusion of full-blood aborigines for tax reimbursement purposes.* A decision upon Queensland's request for the inclusion of full-blood aborigines for tax reimbursement calculations has not yet been finalised. As there are about 10,000 full bloods in this State, it can be seen that if they attract the average current grant of £25 per head, the gain to the State would be approximately £¼ million.

COMMONWEALTH AID ROADS GRANT

A new basis for Commonwealth road grants for the five years from 1st July, 1959, was accepted by State Premiers last March. Briefly this provides for—

Grants amounting to £220 million over the period.

Additional grants totalling £30 million, if matched by additional State expenditures on roads.

Separate provision by the Commonwealth of funds for roads serving Commonwealth purposes and for road safety.

Distribution amongst the States to be 5 per cent. to Tasmania and the balance between the other States on the basis of one-third according to population, one-third according to area and one-third according to vehicles registered.

Under the basis which existed prior to 30th June last Queensland received 19.218 per cent. of the petrol tax grant and 16.7 per cent. of the diesel tax grant. Under the new formula Queensland will receive 18.333 per cent. of the total grant including the matching grant. It is anticipated that Queensland will receive this year £7,700,000 against a total receipt last year of £7,412,678, of which £7,028,318 represents the payment in respect of the year, the remainder being an adjustment to clear arrears in the old formula.

CHANNEL COUNTRY ROADS

Since 1949 the Commonwealth has assisted the State by meeting the cost of certain roads and half the cost of improving water facilities in the western channel country for the encouragement of meat production. The total amount provided to meet the cost of the roads, £1,176,520, has been received. Up to 30th June last £136,291 was paid by the Commonwealth in respect of its half share of the cost of water facilities totalling £300,000. Thus, the amounts allocated under the scheme have virtually been exhausted.

A further approach has been made to the Commonwealth Government to extend the financial assistance to cover both the completion of the existing scheme and additional works necessary to shift cattle from the channel country into railheads at Dajarra, Winton, and Quilpie.

CAPE YORK PENINSULA

A request has been forwarded to the Commonwealth Government for financial assistance towards the construction of a road from Laura to Weipa. The principle of assistance by the Commonwealth for development of the far north of Australia has been established by the grant of £5 million to Western Australia for works in the northern areas of that State.

Besides assisting mining development in the Peninsula this road will stimulate beef production in the area and provide an outlet for cattle.

The proposed road extends for 314 miles, the estimated cost, including raising the standard of the road joining Laura to the south and constructing a link to Portland, being of the order of £1¾ million.

SUMMARY

It is with a tremendous sense of relief that I bring down, on this occasion, a balanced budget. Last year's excursion into deficit, with the accompanying decision to make application to the Grants Commission, was a bold, hazardous step. Had it not succeeded, the State would have been faced with a necessity to contract its services. The same end result was produced by the general change in the tax reimbursement formula as would have been the case had Queensland succeeded before the Grants Commission.

Largely as a result of the new tax reimbursement formula, the budget will provide for income and expenditure in all sections at record levels. Comparisons are—

	1959-60 Budget £	1958-59 Actual £	Increase £
Consolidated Revenue Fund—			
Receipts	100,673,828	93,795,603	6,878,225
Expenditure ..	100,658,361	94,986,459	5,671,902
Trust and Special Funds—			
Receipts	69,669,474	65,896,234	3,773,240
Expenditure ..	75,713,219	64,355,936	11,357,283
Loan Fund—			
Receipts	29,278,000	26,356,985	2,921,015
Expenditure ..	29,278,000	26,531,396	2,746,604

The above figures exclude amounts transferred to fund deficits.

There are not, on this occasion, any overall tax concessions. Indeed, in land transfers and some fields of Stamp Duties, extra revenue will be obtained.

A summary of the main provisions of the budget is:—

There is a great lift in uniform tax reimbursement.

Largely due to this, budgetary equilibrium is restored.

A full year's effect of increased Public Service Salaries and Superannuation has been absorbed.

The whole character of Land Tax is changing. Land Tax exemptions are raised. The number of taxpayers will dramatically reduce. The rates of taxation will be easier on the small landholder, but operate more steeply in the higher level of holding. Land Tax on undeveloped land will disappear.

Probate and Succession Duties will be amalgamated and simplified. Some exemptions will be lifted slightly.

There will be heavier Stamp Duties on conveyances, share transfers, hire purchase agreements, and policies of insurance.

Generous Federal aid was received for this year's and last year's cyclone and flood damage.

The sum of £1,193,000 is provided for new University works.

Increase of £227,749 in University endowment.

Barron River Hydro-electric Extension will spend £502,000.

£3,300,000 has been allocated for the reconstruction of the Mount Isa Railway.

Record activity in the Commonwealth Aid, Marine Works, Fund.

Increased assistance for farm water supplies.

The big construction year for Moogerah Dam and almost £¼ million provided for the start of Borumba Dam on Yabba Creek.

A 20 per cent. increase in the Main Roads Vote, with the greatest increase in Permanent Works.

A 30 per cent. increase for the construction of Technical Colleges, State High and Post-Primary Schools.

Expenditure on Court Houses and Police Building almost doubled.

A further increase in the Vote for Traffic Facilities.

Pushing on with Mourilyan Harbour.

£2 million for Railway Rolling Stock.

Completion of replacement of obsolete machinery at Government Printing Office.

£100,000 for water facilities for stock routes in east North Queensland.

Electrification of Pumping Plant at Brisbane Graving Dock.

There is an improved price outlook on world markets, with notable benefits to this State in wool, meat and dairy products. Production in most fields has improved. The flow of investment funds is high and migration sustained. With a record expenditure in the public sector of finance, there is no factor presently visible that would suggest that the broad ecomony of the State should not continue at a satisfactory level during this financial year.

Government Members: Hear, hear!

Mr. HILEY: Mr. Taylor, I move—

"That there be granted to Her Majesty, for the service of the year 1959-1960, a sum not exceeding £1,339 to defray the salary of Aide-de-Camp to His Excellency the Governor."

Progress reported.

The House adjourned at 8.26 p.m.