

Queensland



Parliamentary Debates
[Hansard]

Legislative Assembly

WEDNESDAY, 3 MARCH 1965

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(HANSARD)

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SECOND SESSION OF THE THIRTY-SEVENTH PARLIAMENT
(Second Period)

Parliamentary Contributory Superannuation Fund Acts Amendment Bill.
Public Service Superannuation Acts Amendment Bill (No. 2).
Workers' Compensation Acts Amendment Bill.
Apprenticeship Bill.
Art Union Regulation Bill.
Adoption of Children Bill.
City of Brisbane Town Planning Bill.
Local Government Acts Amendment Bill.
Stamp Acts Amendment Bill.
State Electricity Commission Acts and Other Acts Amendment Bill.
Racing and Betting Acts and Another Act Amendment Bill.
Veterinary Surgeons Acts Amendment Bill.
Trade Descriptions (Textile Products) Act Repeal, and Other Acts Amendment Bill.
State Development and Public Works Organisation Acts Amendment Bill.
Police Acts Amendment Bill.
Industrial Conciliation and Arbitration Acts Amendment Bill.
Water Acts Amendment Bill.
Anzac Day Acts Amendment Bill.
Education Bill.
Health Acts Amendment Bill.
Hospital Acts Amendment Bill (No. 2).

WEDNESDAY, 3 MARCH, 1965

Mr. SPEAKER (Hon. D. E. Nicholson, Murrumba) read prayers and took the chair at 11 a.m.

ASSENT TO BILLS

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

Fire Brigades Bill.

Fruit Marketing Organisation Acts Amendment Bill (No. 2).

Stock Routes and Rural Lands Protection Acts Amendment Bill.

Mental Health Act Amendment Bill.

Land Acts Amendment Bill.

ELECTIONS TRIBUNAL

JUDGE FOR 1965

Mr. SPEAKER announced the receipt of a letter from the Honourable the Chief Justice intimating that the Honourable Mr. Justice Stanger would be the judge to preside at the sittings of the Elections Tribunal for the year 1965.

DEATH OF HON. E. EVANS

MOTION OF CONDOLENCE

Hon. G. F. R. NICKLIN (Landsborough—Premier) (11.5 a.m.), by leave, without notice: I move—

"1. That this House desires to place on record its sense of the loss this State has sustained by the death of the Hon. Ernest Evans, Minister for Mines and Main Roads and member for the electoral district of Mirani.

"2. That Mr. Speaker be requested to convey to the widow and family of the deceased gentleman the above resolution, together with an expression of the sympathy and sorrow of the members of the Parliament of Queensland at the passing of one who had contributed so much to the advancement of the State."

I am sure all hon. members shared with me a sense of shock at the news of the late Minister's unexpected death. Since that sad event much has been said by very many people in tribute to his high qualities as a Minister of the Crown, as a fellow Parliamentarian, and as a friend. I feel that no greater tribute could have been paid to anyone than the tribute paid by the people of Mackay yesterday on the occasion of his funeral. Young and old, people from all walks of life, lined the streets in their thousands to pay tribute to the late hon. gentleman and it was indeed a great personal tribute to him and an example of the very high respect in which he was held by the people of the district in which he lived for so long. It is barely a week since he left his ministerial duties to undergo minor surgery and it is still difficult to realise that he has departed from the scene in which he so ably distinguished himself in service to this State and its people.

In paying tribute to the late Mr. Evans, I feel it would be very fitting to briefly review his life's history. And what a grand story it makes. It demonstrates how a young man starting from scratch in a young country can achieve so much, and accomplish so much, in the period of his lifetime and attain the high office of Minister of the Crown.

The late Ernest Evans had seen and learned much of Queensland when the electors of Mirani sent him to this House in 1947. He received his early education at the Killarney State School, on the Darling Downs. As a young man in search of a start in life, with the adventurous spirit which was a feature of his make-up, he went to the part of the State which was being rapidly developed at that time, namely, North Queensland, where he engaged in the timber and sugar industries, working as a timber-worker in the scrubs of North Queensland and as a cane-cutter in the cane fields.

In good time he saved sufficient to purchase a cane farm in the Cairns district and in 1920, in association with a partner, he acquired cane land in the Little Mulgrave area. He very quickly saw that if some ways and means were not found to get the cane out from that area, the area would never develop. This was the first example of his organising ability. He got together his fellow cane-farmers and they formed a company among themselves and built a tramline to haul cane from the farms in that area to the Mulgrave mill. That was one of the first steps taken by the late hon. gentleman in the development of this State.

In 1929 the late Mr. Evans transferred to the Mackay district, where he purchased a cane farm and where his qualities as an organiser became very quickly recognised. Shortly after his arrival there he was elected as a director of the Farleigh Co-operative Sugar Milling Association. In 1935 he was elected chairman of the mill's board of directors and remained in that position for 22 years. He resigned in 1957 when he was appointed to Cabinet rank in the first ministry of the present Government. During the time he was chairman of the board he took a prominent part in all sugar organisational activities in Queensland, particularly in association with the Australian Sugar Producers' Association.

Between 1929 and 1947, the year of his election to Parliament, Mr. Evans served on the Pioneer Shire Council, including 13 years as chairman of that shire. In 1955 he was induced to accept office for another term as chairman of the council, but he relinquished that office when he became a Minister two years later. At the same time he also terminated a 15 years' continuous period as an executive member of the A.S.P.A. During that long association with the organisational side of the sugar industry he was associated with many great developments that took place in the industry during that period. One thing I can recall in particular is his association with the establishment of bulk sugar handling facilities in this State. For his services in that organisation he was awarded a life membership. Although on his attaining Cabinet rank he abandoned any voice he held in sugar affairs, his counsel was often sought by members on the organisational side of the sugar industry.

With such long experience in local government matters and in the management of industry he was very well equipped to take his seat in Parliament and to assume ministerial responsibility when that opportunity came his way.

Because of his stature—he was a big man physically—Ernest Evans was often described as bluff; but I am sure that hon. members will agree with me that among his virtues was his rugged individuality in pressing a point of argument and allowing the other fellow to speak his mind. He was a gentleman who always wanted to get things done.

At times he might have been accused of being impatient. If Ernie Evans was impatient, Queensland has been rewarded for it and has gained because of it.

When he first assumed ministerial office he accepted responsibility for the functions of the major departments of development at that time, that is, mines, main roads, and electricity. During the time he was a Minister there were many changes in his responsibilities, but he still retained the very important portfolios of mines and main roads at the time of his death.

During his term as a Minister he made a number of overseas trips in an endeavour to encourage investment, particularly in oil exploration, the development of our bauxite deposits, and the establishment of the remunerative coal export trade. His qualities as a negotiator are evident in the great success he achieved. In fact, in view of his prominent association with oil exploration in this State he has been referred to on quite a number of occasions as Queensland's "Mr. Oil".

He was a forceful exponent of the axiom that permanent works are the essence of a sound road construction policy, and the grand programme of road construction carried out under his direction is a great monument and tribute to his administrative qualities in charge of the Department of Main Roads.

The legislative measures he piloted through this Parliament in converting into reality those economic propositions in regard to the mineral development and main roads development of this State are his monument. His name is associated with some of Queensland's most important legislation dealing particularly with the development of the mineral resources of this State.

At this stage I feel I could best justify his faith in the future of Queensland by pointing to just one of many telegrams and letters I have received since his passing. This one, from a prominent oil executive, reads—

"I have never known an official of comparable responsibility to be more helpful and forthright than Mr. Evans.

"The prominence of Queensland in Australian oil search and the successes achieved are due to a very large extent to the wisdom, leadership and clear understanding of complex problems that Mr. Evans displayed."

That is indeed a great tribute from one with whom Mr. Evans negotiated so successfully for the benefit of the State.

Although Mr. Evans worked hard and gave all his time to his public duties, he could accept frustrations here and there as part of the day's work and still enjoy a spot of relaxation, and it seems a great pity that, having voluntarily decided to retire at the end of the term of the present Parliament, he was not spared to enjoy a greater measure

of relaxation. However, that is a matter beyond our control. It now remains for us to record our appreciation of a colleague who could command respect in all circles in which he moved, particularly political circles other than his own.

I commend the motion to the House, and, in doing so, take the opportunity of extending to his sorrowing widow and family our deepest sympathy and condolence in the great loss they have suffered.

Mr. DUGGAN (Toowoomba West—Leader of the Opposition) (11.16 a.m.): In all sincerity I offer on my own behalf, and on behalf of members of the Opposition, very deep sympathy to the relatives of the late Mr. Evans in the loss they have sustained in his passing. He had almost 18 years' association with hon. members in this Parliament, and I think that most were aware of his many qualities and characteristics. Perhaps there is reason to reflect occasionally on the heavy mortality rate that there seems to be in the parliamentary sphere. The present Ministry has lost, by death or retirement, almost seven of those who were originally appointed in 1957. By most statistical standards that is indeed a very heavy casualty rate.

When one becomes relatively advanced in years, I suppose it is reasonable to assume that the Grim Reaper will come into the picture at some stage. Nevertheless, I do not think that anyone expected the sudden death of Mr. Evans. As recently as Friday last I rang his surgeon, who performed a similar operation on me about a year ago, to ask about his progress, and I was informed that everything surgically was proceeding satisfactorily. Although I do not want to detract from the dignity of a condolence motion, I feel, on looking back, that I should disagree with the Premier's statement that this was a minor operation. If it was similar to the one that I had, which I understand it was, I certainly do not regard it as being minor. If it is, I certainly hope I shall be spared having to subject myself to a major operation in the future.

It is indeed a matter for great regret that a man who played such a prominent part in the civil life of the State, and later in the parliamentary sphere, has been taken from us. It is true that he had a very wide and varied career. He was a person who was denied the opportunity to obtain a formal education. In spite of this, in the thrust of parliamentary debate few people attack problems in a more realistic and common-sense way than did the late Mr. Evans. I feel, having observed these things for a number of years, that although a formal education is indeed a great help in these matters, no qualification supersedes common sense in the discharge of parliamentary duties. When so many complex matters need resolving and so many contrary opinions are presented to Ministers on matters requiring determination, a

capacity to analyse problems quickly is necessary to be able to come to a common-sense decision.

Whilst it would be wrong to expect me to say that I agree with all the decisions made by Mr. Evans, I do feel that he approached them from a common-sense angle, and the application of this quality did indeed pay dividends to him in his administrative responsibilities.

When I knew him first, he was concerned mainly with the problems of the sugar industry. On many occasions, both in this Parliament and by way of deputation, he presented to the relevant authorities his views on what action should be taken to stabilise and protect this primary industry that is so important to the economy of Australia and of Queensland. He had an intimate knowledge of the ramifications of the sugar industry; he spoke of them with authority and vigour, and always with a proper appreciation of the difficulties that confronted it.

I do not think it would be unkind of me to say that in the pursuit of his objectives very often he probably had unorthodox views on certain matters and chose unconventional means to attain them. It was not unusual to find him differing from his colleagues as to the appropriate action that should be taken to secure certain political or financial objectives. As members of the Government well know, at times he was a forthright critic not only of his own Government but also of the Commonwealth Government. I do not think that on any of these occasions his attitude was motivated by a desire to weaken the Government; rather was it motivated by a desire to strengthen it because he thought that the policies contemplated or being pursued were not the appropriate policies to adopt.

He was a rugged and fearless debater. He was prepared to deliver a blow and to accept counter-blows in return. If one asked him for information, I always felt that he was happy to furnish it; but if one attempted to score politically from him, one ran the risk of his retaliating in a similar way; I suppose that is fair enough in parliamentary debate.

The Premier mentioned the late Mr. Evans's great achievements as a Minister of the Crown and linked his name with the extensive development that has taken place in Queensland. I think it was proper that he should do that. I do not want to talk on political matters on an occasion such as this, but I think it would be safe to say that, following the cessation of hostilities in World War II, Mr. J. B. Chifley, who was then Prime Minister, deliberately and with great premeditation, and with the help of various sections of the community, embarked upon a policy designed to increase the industrial strength of Australia. That policy has been followed by successive governments in both Federal and States spheres, and the cumulative effect of this initial action has

resulted in accelerated development in Australia generally. This industrial financial phenomenon is not peculiar to Australia. However, it did happen here, and because greater funds were available and a greater emphasis was placed on a policy of development, Mr. Evans was able to command funds and initiate policies that enabled him to assist in this acceleration. He had opportunities, which he seized on every occasion that they offered, to play his part in the programme of national and State development.

I think it is appropriate, therefore, that we of the Opposition, although disagreeing with many of the decisions that he made, should pay our respects and give our proper meed of appreciation to the late Mr. Evans for the part that he played as a parliamentarian and a Minister of the Crown. We are indeed sorry to see familiar faces removed from our midst. I do not think Mr. Evans was a man who retained bitterness. He did not like some forms of attack. None of us do, I suppose, and most of us retaliate if we think that a form of attack is unreasonable or is pressed home too strongly. Although there may have been some momentary retaliation or some initial resentment by Mr. Evans—as I say, that is a characteristic that was not peculiar to him—he quickly forgot those matters and remembered that in a democratic system of government there are almost invariably two sides to a question.

On behalf of the Opposition, I deplore the passing of a man who played an important and distinguished part in the development of Queensland. He enjoyed the respect and confidence of those with whom he was associated, and he was able to command respect in negotiations around a conference table. I should have liked to see him finish this term of Parliament, and if death had to come, as it must to all of us, I think it could well have come in due course after his period of stewardship had been completed. It must be a matter of regret to the Ministry to lose such a forthright and able Minister from the Cabinet. The void caused by his death will be difficult to fill.

On my own behalf and that of the Opposition I join with the Premier in expressing regret at the passing of this gentleman from our midst and recording our deep sympathy for his relatives in their great loss.

Mr. AIKENS (Townsville South) (11.26 a.m.): I desire to associate myself with the motion and with the sentiments expressed by the Premier and the Leader of the Opposition. I am not going to dilate on many of the compliments that have been paid the late Ernie Evans, except to say that I had very pleasant associations with him.

I clearly remember his entry into Parliament in 1947 under circumstances almost similar to those in which I had entered the

House a couple of years previously, inasmuch as he had done what I had done; he had won a seat that the Government of the day did not expect to lose. Consequently, his entry into this House, so far as the Government was concerned, was not very well appreciated and his reception was not very cordial.

It was not very long after he entered the Chamber that he stood up in his place on the Opposition benches and began to espouse the cause of North Queensland, which we both loved so well, and the Leader of the Government in that debate branded him as a "country bumpkin". I joined in the fight with what the Press next morning was pleased to call a "scene". Of course, it passed over as these things do but I have often regretted that there have not been more country bumpkins of the calibre and character of Ernie Evans elected to this Chamber. If there had been, North Queensland would be a much better place than it is today.

One of the most outstanding characteristics of Ernie Evans was that he was not overawed by the financial standing, the industrial standing, or the social standing of the men with whom he was negotiating agreements and the like in the interests of Queensland's development. He was at all times concerned only with Queensland and its interests and, if I may use the vernacular on such a solemn occasion, Ernie Evans did not hesitate to put these presumptuous people on the mat if they thought they could overawe him by their social or financial standing. But the thing for which I shall always remember Ernie Evans so well, and for which the ordinary people of Townsville will remember him, is the fact that he never lost contact with what are known as the "little" people. In his first Ministry, when he was in control of the electricity undertakings in this State, I was able to put to him something that I had unsuccessfully put to his predecessors in the previous Government. It was the monstrous and brutal provision that enabled the Townsville Regional Electricity Board to blackmail the little people. They seemed to get sadistic pleasure out of using it on the working-class people and old-age pensioners who had, at least, no financial recourse to law in as much as they were unable, by the regulation of the previous Government—

Mr. SPEAKER: Order! I do not regard this an appropriate occasion on which to introduce such a subject.

Mr. AIKENS: I do, because I think it is one of the finest compliments I can pay Mr. Evans. I will at least try to run along as far as I possibly can with you, Mr. Speaker, and say that one of the things for which I shall hold the memory of Ernie Evans in the highest regard is the fact that he removed from the Townsville Regional Electricity Board that brutal, blackmailing

power, so that today it is in exactly the same position as any other authority that sells electrical appliances on time payment.

If you say it is not to the credit of Ernie Evans to pay him a compliment for protecting the little people—the workers and the pensioners—of Townsville, then I disagree with you, Mr. Speaker, because in my opinion I could not pay him a greater compliment. Now that Ernie Evans is no longer the Minister in charge of electricity authorities in this State, I hope that power will never be given again to the Townsville Regional Electricity Board or, for that matter, any other electricity authority.

I could speak for a considerable time on the merits and the outstanding characteristics of this big Queenslander. Not only was he a big Queenslander but he never lost faith in the land that he and I but, unfortunately, so few other members of Parliament, know and love so well, that is, North Queensland.

I sincerely regret his passing. I know that at the end of this Parliament he was going to leave it of his own volition—and he would have been missed—but I do regret that he could not have remained for the 12 months or so that this Parliament will be in operation to witness the successful fruition of many of the schemes that he launched and see them properly implemented.

No words of mine can express my sorrow at the passing of a good man, a good member of Parliament, and a good friend.

Motion (Mr. Nicklin) agreed to, hon. members standing in silence.

MINISTERIAL STATEMENT

CHANGES IN MINISTRY

Hon. G. F. R. NICKLIN (Landsborough—Premier) (11.32 a.m.): I desire to inform the House that on Thursday, 28 January 1965, His Excellency the Governor—

(1) Accepted the resignation of the Hon. A. W. Munro as a Member of the Executive Council of Queensland and as Minister for Industrial Development of Queensland;

(2) Appointed John Desmond Herbert, Esquire, to be a Member of the Executive Council of Queensland;

(3) Appointed the Hon. Alexander Tattenhall Dewar to be Minister for Industrial Development of Queensland and the Hon. John Desmond Herbert to be Minister for Labour and Industry of Queensland.

I lay upon the table of the House a copy of the "Government Gazette Extraordinary" of 28 January, 1965, containing these notifications.

Whereupon the hon. gentleman laid the "Government Gazette Extraordinary" upon the table.

PAPERS

The following papers were laid on the table:—

Proclamations under—

- The Education Act of 1964.
- The Police Acts Amendment Act of 1964.
- The Southern Electric Authority of Queensland Acts, 1952 to 1958.
- The Farm Produce Agents Act of 1964.
- The Sugar Experiment Stations Acts, 1900 to 1959.
- The Fire Brigades Act of 1964.
- The Apprenticeship Act of 1964.

Orders in Council under—

- The Tully Falls Hydro-Electric Project Act of 1950 and the Northern Electric Authority of Queensland Act of 1963.
- The Barron River Hydro-Electric Extension Project Act of 1958 and the Northern Electric Authority of Queensland Act of 1963.
- The State Development and Public Works Organisation Acts, 1938 to 1964.
- The Public Service Superannuation Acts, 1958 to 1964.
- The Harbours Acts, 1955 to 1964.
- The Queensland Marine Acts, 1958 to 1963.
- The Racing and Betting Acts, 1954 to 1963.
- The Racing and Betting Acts, 1954 to 1964.
- The Grammar Schools Acts, 1860 to 1962.
- The Police Acts, 1937 to 1963.
- The State Transport Act of 1960.
- The State Electricity Commission Acts, 1937 to 1964.
- The Electric Light and Power Acts, 1896 to 1964.
- The Regional Electric Authorities Acts, 1945 to 1962.
- The Southern Electric Authority of Queensland Acts, 1952 to 1964.
- The Industrial Development Acts, 1963 to 1964.
- The Abattoirs Acts, 1930 to 1958.
- The City of Brisbane Market Acts, 1960 to 1962.
- The Milk Supply Acts, 1952 to 1961.
- The Primary Producers' Organisation and Marketing Acts, 1926 to 1962.
- The Stock Acts, 1915 to 1960.

The Explosives Acts, 1952 to 1963.

The State Children Acts, 1911 to 1955.

The Factories and Shops Acts, 1960 to 1964.

Regulations under—

- The Public Service Acts, 1922 to 1963.
 - The Public Service Superannuation Acts, 1958 to 1964.
 - The Stamp Acts, 1894 to 1964.
 - The Technical Instruction Acts, 1908 to 1918.
 - The Education Act of 1964.
 - The State Transport Act of 1960.
 - The Regional Electric Authorities Acts, 1945 to 1962.
 - The Auctioneers, Real Estate Agents, Debt Collectors and Motor Dealers Acts, 1922 to 1961.
 - The Agricultural Standards Acts, 1952 to 1963.
 - The Farm Produce Agents Act of 1964.
 - The Poultry Industry Acts, 1946 to 1959.
 - The Primary Producers' Organisation and Marketing Acts, 1926 to 1962.
 - The Stock Acts, 1915 to 1960.
 - The Wheat Pool Acts, 1920 to 1957.
 - The Motor Spirit Vendors Acts, 1933 to 1934.
 - The Traffic Acts, 1949 to 1962.
 - The Mental Health Act of 1962.
 - The Hospitals Acts, 1936 to 1964.
 - The Prisons Acts, 1958 to 1964.
 - The Health Acts, 1937 to 1964.
 - The Explosives Acts, 1952 to 1963.
 - The Apprenticeship Act of 1964.
 - The Statistical Returns Acts, 1896 to 1935.
- By-laws Nos. 925 to 932, inclusive, under the Railways Acts, 1914 to 1964.

ALCAN QUEENSLAND PTY. LIMITED
AGREEMENT BILL

INITIATION IN COMMITTEE

(The Chairman of Committees, Mr. Hooper, Greenslopes, in the chair)

Hon. J. BJELKE-PETERSEN (Barambah—Minister for Works and Housing) (11.58 a.m.): We all deeply regret that the late Mr. Evans is not here today to introduce this Bill, which he prepared for this session. He played a very big part in bringing together the companies associated with this Bill, just as he played a very prominent and big part in other undertakings commenced in our State in recent years. As was said earlier by the Premier, these would indeed be a lasting memorial and monument to the late Mr. Evans.

Today, I introduce this Bill in his stead. I move—

“That a Bill be introduced with respect to an agreement between the State of Queensland and Alcan Queensland Pty. Limited; and for purposes incidental thereto and consequent thereon.”

The purpose of the Bill is to authorise the Government to enter into an agreement with the company mentioned. The agreement is a schedule to the Bill; the Bill itself is merely the authority for the Government to sign the agreement.

This agreement is an essential part of the agreements that have resulted in the start of construction at Gladstone of a huge alumina plant which is planned to commence operations in 1967. It is to have an initial capacity of 600,000 tons of alumina annually, the largest initial capacity of any alumina plant in the world. Provision has been made for expansion of the plant to three times this capacity.

During construction up to 1,500 persons will be employed on the site and the plant will require about 600 persons to operate it at its initial capacity. To produce 600,000 tons of alumina annually the plant will require each year about 1,400,000 tons of bauxite from Weipa, 300,000 tons of coal, 80,000 tons of fuel oil, 100,000 tons of caustic soda, 50,000 tons of limestone, 3,000 tons of starch, 150,000,000 units of electricity, and 650,000,000 gallons of fresh water. Initial cost of the plant is estimated to be £53,000,000.

Hon. members can see from the information I have just given that many side industries will come into being as a consequence of the erection of this tremendous alumina plant at Gladstone. It is very heartening to see this great industrial project being constructed in Queensland, particularly at Gladstone in Central Queensland—the hon. member for Port Curtis must be very delighted as a result—which has long needed the impetus of projects such as this to launch it on a bright future of industrial development based on the many and great natural resources of the region. Even more heartening is it to see this industry planned in a manner and on a scale that should make it able to compete and survive and grow in a highly competitive field.

There is, of course, no world shortage of bauxite. Many great deposits are known, particularly in tropical West Africa, in tropical South America, the Caribbean and Europe, and, of course, in Australia, and more deposits are being discovered as exploration continues. However, of the world's major deposits of bauxite the Weipa deposits have the advantages of being easily mined, close to sea transport, and, most important of all, as most hon. members would agree, in a country with a stable Government.

Following the discovery of bauxite at Weipa in 1955 by Mr. Harry Evans, a geologist engaged in the search for petroleum, authorities to prospect for bauxite were granted in 1956 over an area of 3,045 square miles around Weipa to Australian Mining and Smelting Company Limited. In the same year an authority to prospect for bauxite over an area of 5,675 square miles inland from Weipa was granted to Aluminium Laboratories Ltd., a subsidiary of Aluminium Limited of Canada (Alcan).

Investigations soon showed that the Weipa bauxite was one of the world's major deposits, well able to supply all Australian requirements for the foreseeable future with abundant bauxite over for export on a large scale.

Following on negotiations the Commonwealth Aluminium Corporation Pty. Limited Agreement Act of 1957 was passed, and the agreement between the State of Queensland and Commonwealth Aluminium Corporation Pty. Limited (Comalco) was signed on 16 December, 1957.

This agreement provided for a special bauxite mining lease to be granted to Comalco over 2,270 square miles of the land previously held by Australian Mining and Smelting Company Limited. Comalco was required to work the lease for bauxite on a scale increasing to an expenditure of £2,500,000 per annum after 1972. Comalco was to establish in the State, as soon as practicable, a plant to convert bauxite to alumina, and, after 1977, was to establish within Australia or its territories an aluminium smelter for converting alumina to aluminium.

At that time the only plant in Australia converting bauxite to aluminium was the Bell Bay smelter in Tasmania, which was using the cheap hydro-electric power of that State for the essential electrochemical conversion to aluminium. Comalco had acquired an interest in the Bell Bay smelter to assure a market for the Weipa bauxite, and the Comalco agreement provided that bauxite could be shipped from Weipa to Bell Bay for use in that plant. No other bauxite could be exported from the State except with the consent of the Governor in Council. In this way, there was a powerful inducement for Comalco to establish an alumina plant within the State.

Consequent upon this agreement, Comalco carried out extensive investigations and negotiations with a view to working the Weipa deposits on a large scale, converting the bauxite to alumina at a plant in Queensland, and marketing the alumina. The plan that eventually emerged after all these investigations and negotiations was to ship bauxite from Weipa to Gladstone, where it would be converted to alumina. Part of the alumina would be shipped to Bell Bay to produce aluminium for Australian requirements. From Gladstone, alumina would also be shipped to Bluff in New Zealand, where it would be converted to aluminium, using extremely

cheap hydro-electric power, at a price low enough for it to be sold competitively on modern world markets. By the time Australian demand for aluminium had grown beyond the ultimate economic capacity of the Bell Bay plant, it was thought that then conditions would probably be ripe for construction of an aluminium smelter at Gladstone using Central Queensland coal or natural gas as a source of power.

However, quite a number of problems arose. Stimulated by the Weipa discovery, an intensive search for bauxite was carried out throughout Australia, and this disclosed important deposits of bauxite in the Darling Ranges of Western Australia and at Gove in the Northern Territory.

As a result the British Aluminium Company Ltd. withdrew from Comalco and concentrated on investigation of its Gove deposits. The Aluminium Company of America joined with three Australian companies in Alcoa of Australia Pty. Ltd. (Alcoa) to work the Darling Ranges bauxite deposits, produce alumina at Kwinana, Western Australia, and smelt this to aluminium at Geelong, Victoria, using power from huge, easily worked deposits of brown coal nearby. The plans announced indicated that, by 1965, aluminium productive capacity in Australia would be greater than the estimated consumption. This, together with over-supply of aluminium on world markets, indicated that Comalco would face intensive competition in Australia as well as overseas.

About this time, Alcan was negotiating with the Government of Queensland for a special bauxite mining lease over part of the lands held in Cape York under authority to prospect for bauxite by Aluminium Laboratories Ltd. The proposed terms were very similar to those in the Comalco agreement, including the construction of an alumina plant in Queensland as soon as practicable.

It was suggested that it would be in the interests of all parties if Comalco and Alcan, instead of each building an alumina plant in Queensland, were to combine in building at Gladstone a plant large enough to supply all the requirements of Comalco and Alcan. The larger plant would be more economical, both in capital and operating costs, so that the cost of the alumina would be less and the venture better able to survive competition in the years that lay ahead.

The idea was pursued further. By attracting other partners to the Gladstone project and producing alumina for them to export as well as for the Australian market, the plant would be more economical still, and so still more soundly based.

These proposals were strongly advocated by the late Minister, Mr. Evans, as well as by the Government of Queensland. They offered both Comalco and Alcan inducements to contribute their share of the cost of the Gladstone plant and to commit themselves to take specified minimum tonnages of alumina from the plant for at least 20 years.

The principal inducement was the right to export bauxite from Weipa, subject to payment of royalty at twice the rate then applicable.

From the negotiations has emerged the present project and a complex of agreements, of which this Alcan agreement is an essential part.

The participants in this project are—

Kaiser Aluminium and Chemical Corporation, of U.S.A. (Kaiser);

Aluminium Limited, of Canada (Alcan);

Pechiney Compagnie de Produits Chimiques et Electrometallurgiques, of France (Pechiney);

Conzinc Riotinto of Australia Ltd. (C.R.A.).

These companies, between them, control about 40 per cent. of the western world's aluminium production capacity.

Kaiser is one of the three major producers of aluminium in the U.S.A. It and C.R.A. each hold a half interest in Comalco.

Alcan is the major producer of aluminium in Canada. It is the parent of Aluminium Laboratories Ltd., which has been exploring on its authority to prospect for bauxite near Weipa since 1956, and of Alcan Queensland Pty. Limited, a company formed in Queensland for the purpose of working the special bauxite mining lease to be granted under this agreement.

Pechiney is the major producer of aluminium in Europe.

C.R.A. is the great Australian mining and smelting company with important interests in lead, zinc, aluminium, iron, uranium, coal, mineral sands, chemicals, brickmaking, quarrying, and road contracting. As hon. members can see, it is a company with many extensive ramifications and one that has done much in the development of the mineral resources of our country. It was while working for a company related to C.R.A. that Mr. Harry Evans discovered the bauxite at Weipa.

These participants have agreed to provide all the capital required—

Mr. Bromley: What about building the houses up there?

Mr. BJELKE-PETERSEN: They are building some of the houses and we are building some, as the hon. member knows.

Mr. Bromley: Meanwhile we are waiting for them in Brisbane.

Mr. BJELKE-PETERSEN: I am sure the hon. member would agree that it behoves the Government to take some interest in and give help to harbour facilities and other activities.

Mr. Lloyd: What is the direct capital investment of those companies?

Mr. BJELKE-PETERSEN: It would be about £53,000,000.

Mr. Lloyd: The direct capital investment? They are borrowing £50,000,000 from the American banking system.

Mr. BJELKE-PETERSEN: To my way of thinking the important point is that they are providing the capital and are doing this in our State. I am sure that hon. members are pleased that those companies are providing this capital and are developing the State as a whole.

Mr. Lloyd: I should like to know how much capital they are contributing.

Mr. BJELKE-PETERSEN: I have not those figures. The main thing to me is that they are getting on with the job in the interests of this State.

Mr. Lloyd: I am not arguing with that, but normally a guarantee of good faith is lodged.

Mr. BJELKE-PETERSEN: I have not those figures and cannot give them.

These participants have agreed to provide all the capital required for the Gladstone alumina plant (about £53,000,000) and to take all the output (600,000 tons of alumina annually) in the following proportions:—

	Per cent.
Kaiser	52
Alcan	20
Pechiney	20
C.R.A.	8

They have formed Queensland Alumina Limited to construct and operate the plant for the conversion into alumina, on a toll basis, of bauxite owned by the participants. The plant is planned to commence operating by mid-1967.

Bauxite will be shipped from Weipa to Gladstone, where it will be digested with hot caustic soda under pressure to extract the aluminium. I am sure that some hon. members will say, "That won't digest anything"; nevertheless, that is the process. The residue of "red mud", washed free of caustic soda, will be pumped to disposal ponds on Boyne Island. The aluminium in solution will be crystallized out as hydrated alumina and separated by filtering. It will then be burned in rotary kilns to high-grade alumina.

About 16 per cent. of the alumina output will be shipped to Bell Bay for reduction in electric furnaces to aluminium for the Australian market. The remainder of the output will be shipped overseas.

Comalco aluminium, made at Bell Bay from Gladstone alumina from Weipa bauxite, will thus compete on the Australian market with Alcoa aluminium made at Point Henry, Geelong, from Kwinana alumina from Darling Ranges bauxite. I think—and I am sure all the experts do, too—that this Weipa-Gladstone-Bell Bay industry is

well based. The Government and the company are very confident of the future, in spite of any competition that there may be in world markets and our own markets.

Among the many agreements necessary for this great enterprise are agreements between Comalco and each of the participants for supply of the necessary bauxite for the Gladstone plant from Weipa for a period of at least 25 years. There are agreements dealing with the basis for purchasing bauxite after the initial period of 25 years. There is a participants' agreement providing for the financing of the Gladstone alumina plant, and an expansion agreement setting out the procedure for expanding the plant beyond its initial capacity of 600,000 tons of alumina annually. An initial tolling contract between the participants and Queensland Alumina Limited provides for the quantity of alumina to be produced for each participant and the method of charging for it. Not only will each participant pay a tolling charge on the tonnage of alumina it takes; it will be required also to pay a stand-by charge should it not take its full contracted tonnage. This stand-by charge will be calculated to compensate Queensland Alumina Limited fully for the higher costs of not operating its plant to capacity.

To accord with these agreements, the Commonwealth Aluminium Corporation Pty. Limited Agreement Act of 1957 was varied by agreement on 13 July, 1964, in the manner provided in that Act. With the approval and signing of the agreement in the schedule to the Bill, the arrangements necessary for establishing the Gladstone alumina plant will be finalised.

The Bill and the agreement between the State of Queensland and Alcan Queensland Pty. Limited (which I will now call Alcan) is based on the Commonwealth Aluminium Corporation Pty. Limited Agreement Act of 1957.

The agreement provides in essence that if Alcan becomes a participant in the Gladstone alumina plant, providing at least 16½ per cent. of the capital and taking at least 100,000 short tons of alumina per annum for a period of at least 20 years, then the State of Queensland will grant it a special bauxite mining lease of lands approximating 536 square miles now held under Authority to Prospect No. 53M.

Actually Alcan is providing 20 per cent. of the capital and is taking 120,000 long tons (134,400 short tons) of alumina per annum for a period of 25 years, and probably it will take it for longer than that.

Generally, the proposed Alcan agreement is similar to the Comalco agreement. The principal differences are in Clauses 14, 15, 16, and 56.

Clause 14 requires Alcan to participate in the Gladstone alumina plant. Clause 15 requires Alcan to continue taking

alumina in specified quantities from the Gladstone alumina plant or else build another plant in Queensland and continue to operate it on a specified scale. Clause 16 permits Alcan to export bauxite while it is complying with clause 15. Clause 56 provides for Alcan to be given access to the coast and harbour facilities for it to ship bauxite from its lease at Weipa.

Alcan, through Aluminium Laboratories Limited, has been diligently exploring the lands in Authority to Prospect No. 53M. since 1956. It has expended approximately £377,000 on the investigation and has found large workable deposits of bauxite.

In the interests of efficiency, Alcan has joined with Comalco and the other participants in the Gladstone alumina plant. Alcan has agreed that, for the first 10 years, all the bauxite for the Gladstone alumina plant is to come from Comalco's lease at Weipa. After that, Alcan may ship bauxite from its own lease to meet its commitments with Queensland Alumina Limited.

The Bill is the foundation on which I expect further important industries in the State to rise. I commend it to the Committee.

Mr. DUGGAN (Toowoomba West—Leader of the Opposition) (12.23 p.m.): Without question, this is a very important Bill. Equally, it is very difficult for hon. members on this side of the Chamber to make constructive contributions to the debate at this stage because of the complexities and ramifications of the problems, the interests that are involved, and the interlocking agreements and arrangements between the interested parties, make it very difficult to disassemble those factors and determine precisely what the core of the proposed Bill is and the provisions that will be contained in it. Therefore, those matters will have to wait till the second-reading stage, when we shall have had an opportunity of looking at the Bill closely.

I think it is timely to remark that, although the Minister has indicated that the proposed Bill provides for certain developments that will culminate in the building at Gladstone of an alumina plant costing about £52,000,000 or £53,000,000, hon. members have been called together to consider introducing a Bill the schedule to which contains important details of provisions that will be binding on the parties to the agreement. The Committee is asked to debate these various matters in March 1965 when hon. members know from Press releases that approval was given in September last year for arrangements of this type to proceed. The then Minister for Mines, the late Mr. Evans, in a Press release dated 4 September 1964, said—

“The £53,000,000 Gladstone alumina plant will be operating by 1968.”

He then outlined the capacity of the plant and mentioned the people who would be concerned with it, and in the list given was

the name “Alcan”, which is now contained in the proposed Bill. The situation is that within two months of Parliament's completing its business in 1964, an announcement is made outside Parliament of what is envisaged, the interests concerned in the proposal, and all the details that have been worked out. No-one can suggest to me that a project that will involve the expenditure of something in excess of £53,000,000—and that represents only capital expenditure on the plant itself and does not take cognisance of the amount spent by Comalco at Weipa, which I think is about £11,000,000, or of the exploration, and other incidental charges on the interlocking companies, which amount to a very respectable sum of money—is not big enough to warrant closer attention by Parliament. My quarrel is that the expenditure of this kind of money was determined around a conference table—no doubt ratified by Cabinet—six months ago, and then we come here on the somewhat unnecessary procedure of allegedly considering the matter and making constructive suggestions as to what should be done. I think we should insist, in matters of this magnitude, that Parliament should be consulted much earlier in regard to the committal of the Government and the resources of the State.

It is very difficult to follow from the Minister's explanation this morning, the ramifications of the mining interests involved in this proposal. I should like to point out, before going any further, that I have a copy of Jobson's Investment Digest Mining Year Book of 1964 which shows a series of articles by men interested in the mining industry on the financial structure of various mining companies in the Commonwealth. I could spend a considerable part of my time this morning in dealing with the interlocking arrangements of these companies but one would need a great deal of professional and mining knowledge to understand them.

I noticed in the Cairns by-election, as I have noticed in previous general elections since this Government came to power in 1957, that considerable emphasis was laid on the fact that Labour Government did nothing to develop the bauxite deposits in Queensland and that it remained for a Liberal Government to realise the potential, to come to power and to get on with the job of developing our mineral resources. That has often been claimed by this Government. All of the propaganda emanating from the Public Relations Bureau of the Government seems to hover around Weipa, the rehabilitation of the Mt. Isa railway line and the discovery of oil at Moonie.

In this book there is an article prepared by the editor which sets out the history of exploration and development of our alumina industry in the Commonwealth. There is also a special article by Mr. A. L. Ellis, General Manager of Comalco Aluminium (Bell Bay) Limited. He points out that it was only at the end of 1955 that bauxite

deposits were discovered. That was referred to by the Minister in his introduction this morning. It is also indicated in this Mining Investment Digest that it was not until 1956 that Comalco was formed for the purpose of examining the information disclosed by this geological discovery. Indeed, it is a discovery of tremendous importance. I understand it is the largest deposit of rich bauxite in a single area in any part of the world.

I notice that certain figures are annexed to the Bill. No doubt the Minister would have the most up-to-date information, but a book that I have here, released by Her Majesty's Government overseas, dealing with overseas geological surveys, mentions that in the area covered by this agreement there are reserves of something like 1,000 million tons of bauxite, which is a very tremendous deposit indeed.

However, when one considers that it was only in 1956 that the company was formed to see what steps it should take to develop these resources, and that the Labour Government was defeated in the middle of 1957, I do not think it can be fairly charged that we were lax in our desire to proceed with these particular arrangements. What I am leading to is that everybody who is fair in this matter knows that in that relatively short period of time the various interests involved—Comalco and others who had been negotiating with various Government departments administered by the then Labour Government—had reached the point of almost signing an agreement. Certain matters required some further examination. In view of the magnitude of the project one can imagine the reason for that. It was not until this Government came into power that the agreement was signed, in December of that year.

Mr. Hughes: You are charged with pigeon-holing the file.

Mr. DUGGAN: The bauxite field was discovered only in 1955, and the company formed to exploit these resources was not developed until 1956. We went out of power in 1957. Therefore I cannot see how there was very much pigeon-holing.

The point I want to make is that despite all these critical attacks that have been made on the Labour administration from time to time for years we still have not got the alumina plant operating at Gladstone. Bauxite was discovered in the Darling Ranges in Western Australia in 1958 and they have a plant already operating.

Mr. Bjelke-Petersen: A very small one by comparison.

Mr. DUGGAN: It represents almost as much money as was originally visualised here. I must confess that this project has grown very greatly. I have not the recent figures for the Kwinana project but the original figure was in excess of £10,000,000. Certainly companies doing anything on that

scale are rather big companies. Alcoa has a 51 per cent. holding in that particular enterprise. Western Mining Corporation Ltd., which is an Australian company—although it certainly would have some overseas shareholders, as I suppose all these companies would have—has a 20 per cent interest; Broken Hill South Ltd. has a 16·6 per cent. interest; North Broken Hill Ltd. has a 12 per cent. interest and Cushion Trust Coy. Ltd. has a ·4 per cent interest. Under the present arrangements there is nothing like that Australian content in the ownership of the Queensland enterprise. We have a 16 per cent. interest represented by Comalco; the rest of the interest is outside Australia altogether.

I want to make it quite clear before I resume my seat that in matters entailing heavy expenditure and bringing in other associated problems it is necessary to have a good deal of outside money. I have not had time to read it very thoroughly but I noticed in this morning's issue of "The Australian" an article devoted to foreign investment in this country. It is pointed out that last year the Institute of Public Affairs calculated that for 1961-62, the last year for which figures are available, of the £418,000,000 of Australian company profits, after tax, 23·1 per cent. was payable overseas—11·9 per cent. went to Britain and 8·9 per cent. to United States of America.

What does concern many people in Australia at the present time is this injection of foreign capital. I do not want it thought that the Labour Party stands in the path of the injection of overseas capital. It takes these great developmental projects many years to come to successful fruition and to pay dividends. The New Zealand Government, which is not a Labour Government, has laid down in a recent pronouncement that there must be a very high New Zealand investment to match any foreign capital coming into New Zealand, and has prohibited the introduction of foreign capital for particular types of industries such as newspaper ownership and broadcasting control. They are aware of the problems involved in these matters. With a project like Comalco, which was formed in 1956, or any of these developmental agencies which take eight or 10 years to secure a profit on their investment, the average individual Australian shareholder is not greatly interested in becoming associated with a group which has such a long-deferred profit-making capacity. These companies are earning some profits somewhere. By exporting bauxite and so on they are contributing to their overseas earnings. In this way they can earn dividends for their shareholders in overseas countries.

We do not have the same opportunity here. Whilst we recognise the need for the stimulated development of this country by the injection of foreign capital—I do not think we can do otherwise—we should provide at some stage for an opportunity for

Australian shareholders to get some control. There is only one company domiciled outside Australia that I know of whose shares are listed on the Australian stock exchanges. That is the National Foodstuffs Company, which took over Kraft Foods Ltd. We cannot buy General Motors stock, Ford stock, or any other stock of the overseas companies in Australia. The Federal Treasurer has prohibited the listing of those companies on the Australian stock exchanges; the Australian stockholder cannot benefit from the profitable operations of many of these overseas firms, simply because of the Federal Treasurer's action in prohibiting their listing on the Australian stock exchanges.

There should be an opportunity for some Australian participation in these companies. No doubt through consultation with his officers, or from his own knowledge, the Minister will say, "It is quite easy to buy Comalco shares." It is, but if one does, one shares in only 16 per cent of the profits of that great undertaking.

My Deputy Leader has mentioned the overseas banking position. I am not quite so much concerned about that particular aspect, although it is important. I am more concerned with the tendencies of some of these overseas companies. One of the alumina companies is calling for some millions of pounds in debenture stock from Australian investors. There is no doubt about the safety of that investment because of the company behind it. However, in that instance, and in too many other instances, we are being called upon to provide the money, not in equity capital at all, but by debentures and other means. General Motors Acceptance Corporation accepts money from the general public to finance the purchase of its cars manufactured here. It uses Australian money, and all the profits revert to the parent company in Australia, but no Australian can buy General Motors shares in this country. That is a tendency that we have to deal with. Irrespective of political affiliations I think everybody will agree that it is wrong. To my surprise, perhaps no-one opposes it more strongly than the Federal Leader of the Country Party, Mr. McEwen. It is very refreshing to find him saying so.

Mr. Hughes: Surely you would not exclude this capital and development know-how?

Mr. DUGGAN: I make it abundantly clear that we should have it, but we should also have an opportunity to gain some equity control in the companies. The anti-Labour Government in New Zealand has done that, and many other Governments are doing it.

I mentioned the repatriation of dividends overseas. American companies in particular are retaining their excess profits—not remitting them overseas—and putting them back into their own shows. Through the retention of profits, General Motors have built their capital structure up to

£78,895,000, without any American capital of any consequence—probably less than £1,000,000. This is what I am coming to: by retaining their profits they are building up their capital, and it ultimately becomes a charge on the financial resources of this country to service it. That is why it seems that at some stage we should have an opportunity for some Australian equity in these companies.

Another matter is the way in which the various interests involved are doing less than we think should be done. The Leader of the A.L.P. in the Federal sphere, Mr. Calwell, said in a policy speech that if ever the A.L.P. became the Government in this country it was prepared emphatically to consider and investigate, with all the resources available to the Government, the possibility of proceeding to establish an aluminium smelter in Australia. I think we should be trying to do that. This Government has shown no interest in it. It has said, "It is too expensive and too difficult; the magnitude of the problem is too great." Yet we find, after our saying this five or six years ago and being rubbished for it, that there is a requirement laid down by the Federal Government in regard to Gove bauxite in the Northern Territory, for which five firms are putting proposals to the Federal Government, that that Government will not consider any of them unless they give an assurance that there will be a smelter established in Australia within a reasonable time. That is the Government which attacked us frequently, with the notable exception of the Country Party leader, who has been singularly loose from the attack on us. I commend him for that, and for adopting a realistic attitude in this matter.

It seems strange for the Minister to talk now of excess capacity in Australia. I do not doubt him in that regard. I realise that it would be impossible for any Australian company which did not have overseas affiliations to develop these resources. We might have the capital—we could possibly strain our resources to finance one of these big undertakings—but we could not sell unless we had some affiliation with the Kaiser group, the Pechiney group, and the Alcan group, or whatever group is specified. I realise that international arrangements are made to-day; whether we like it or not they are there.

The Minister said that a particular group represented 40 per cent of the manufacture of aluminium in the western world. That is a powerful group, and no single Queensland or Australian company could compete against such a great international giant unless it was engaged in volume production. That seems to be the only way to be successful—to extract the bauxite, to process it into alumina, and then to produce ingots. I realise the magnitude of the problem and its related factors. If we have over-production at present surely we will get to the stage when the Commonwealth Government will come in.

Mr. Bjelke-Petersen: What date is that?

Mr. DUGGAN: 7 August, 1964. There is more recent information which the Minister's officers would have. In this particular case, the Pechiney group is one of the people interested in the proposal.

Mr. Bjelke-Petersen: I think you will find that the conditions were so stiff they could not get anybody interested.

Mr. DUGGAN: That may be so.

It seems strange that in one instance the Commonwealth Government is encouraging the development of townships in the Northern Territory, yet in the other instance this Government is not interested in the original plan to develop Weipa. Although from a company point of view that might be wise, from a national development point of view it is not. If I were a worker employed by Comalco I should prefer to work and live in Gladstone than at Weipa, but if we are to develop the distant resources of the State we should take cognisance of the fact that the Federal Liberal-Country Party Government laid down stiff conditions not only for the construction of a smelter but also for the building of towns in those remote areas.

My reading suggests that it is necessary to develop those great bauxite deposits, and to develop them we require great financial, technological, and specialist abilities. I realise that all of those are not available in Australia. It should be government policy, at both Federal and State levels, that when concessions are granted we must get, by way of royalties, a reasonable return for the assets that are being exploited. Those assets are not replaceable as some assets are, for instance, wheat and pastoral products. We cannot replace the great mineral assets that are being extracted, and consequently I feel that we should receive adequate compensation by way of reasonable royalties. They should be designed to help the State without becoming a burden so crippling to companies as to dissuade them from engaging in exploration. Emphasis should be placed on the right of Australians to have an equity in these companies, and I think that overseas companies should be prevented from borrowing money from banks and by way of debentures. This matter requires some explanation and elucidation for which I have not the time available today. It seems to me to be wrong that we should be servicing so many overseas companies by providing debenture capital, thus preventing Australians from obtaining an equity in them. That is a matter that requires some examination.

Generally speaking, any proposal that has the effect of increasing the development of the State will have the support of the Australian Labour Party; it is only in respect of certain conditions of development that we feel there should be close scrutiny. I hope that at the second-reading stage there will be

valuable contributions to the debate from hon. members on both sides of the Chamber. I know that some members on this side wish to participate in that debate, and some interesting observations may be made. Whilst we may disagree on details, I feel that all hon. members agree that if we can accelerate development of this State and the Commonwealth, we should do so. In doing this, however, we should see that, in seeking development, we do not throw away our heritage and deprive ourselves permanently of the opportunity of exercising some control over our future destinies, financial and otherwise.

Mr. EWAN (Roma) (12.47 p.m.): I should like to congratulate the acting Minister for Mines and place on record my personal appreciation of his very clear exposition of the Bill. As is well known, this responsibility came into his hands only a few days ago. All hon. members always look forward to clear explanations by the Minister, and in this case he has merely lived up to the reputation so well gained during the time in which he has been in this Chamber.

What the Bill boils down to are simply the arrangements for the construction and operation of the alumina plant at Gladstone. It rather amused me to hear the Leader of the Opposition complain somewhat bitterly that arrangements were made six months ago with the companies mentioned by the Minister, and were given great Press publicity. Surely, with his experience, he must agree that although tentative arrangements can be made, they must be ratified by Parliament, which is why the Bill is before the Committee today.

Mr. Tucker: They were tentative.

Mr. EWAN: Exactly. It rather surprised me that the Leader of the Opposition adopted that attitude. His complaint really was that perhaps the Government obtained quite a lot of publicity from the development of this huge undertaking.

Mr. Duggan: No. I think Parliament should be consulted before agreements are made, instead of after.

Mr. EWAN: There is no agreement till it is ratified by the Bill, and the Leader of the Opposition knows that. He went on to say that bauxite was discovered at Weipa in 1955. Of course, its existence has been well known for the last 60 or 70 years, but no attempt was made to prospect it properly till the date mentioned by the Leader of the Opposition. That work was carried out and brought to fruition under the administration of this Government in 1957. Admittedly a Government to which the Leader of the Opposition had the honour to belong tried at that time to get someone interested in the bauxite at Weipa, but international companies did not like the policies pursued by that Government and consequently were not prepared to invest here the vast amount of money necessary to carry out this great development.

Mr. Duggan: If you talk like that you won't get into Cabinet.

Mr. EWAN: I am sorry if I am upsetting the Leader of the Opposition, but he cannot dispute facts. He knows very well that no large-scale prospecting was undertaken at Weipa before 1955. Although the Leader of the Opposition complained very bitterly, it is a fact that there was certain prospecting but no large-scale prospecting, and, to my knowledge, the bauxite deposits at Weipa have been known to exist for over 60 years.

I suppose one could say that the views of the Leader of the Opposition were somewhat refreshing when he gave us an exposition of what he thought was highly desirable—a measure of Australian equity in foreign companies. I think every hon. member agrees with that view, provided that there is Australian money available for the purpose. However, enterprises of a highly technical nature such as the Leader of the Opposition mentioned at a later stage, which require huge sums of money and which provide little chance of obtaining a dividend for many years, do not prove attractive to Australian investors. The Leader of the Opposition can rest assured that as we progress and the great wave of development that we have experienced in the last eight, nine or ten years continues, provision will have to be made, as it was in the United States, for protection of our equity in the product.

The Minister said very clearly that the alumina plant at Gladstone would convert Weipa bauxite to alumina for use—this is very important—in smelters in Australia and overseas, and the scheme is to come into operation in 1967, despite the fact that the Leader of the Opposition said that the Government had been lax in its efforts to facilitate its finalisation. Goodness gracious me! If a scheme is launched, prospecting is carried out, the mining that we have seen at Weipa is carried out, a port is provided, and an alumina plant, estimated variously to cost between £50,000,000 and £60,000,000, is provided at Gladstone, all in ten years, to my way of thinking that is a fairly good performance.

It is envisaged that the plant will produce 600,000 tons of alumina annually. Of course, there are larger plants in the world, but none has commenced operations on the scale envisaged at Gladstone. One of the most important factors is that the total output of the plant is contracted to be purchased. That is very important when one remembers that the companies that are engaged in building the alumina plant supply about 40 per cent. of the world's requirements of aluminium and that the marketing of the products, particularly on an international scale, usually presents great difficulties. Provision is to be made for expanding the plant, when the demand and the production of bauxite justify it, to a capacity

of 1,800,000 tons of alumina annually. This means, of course, that it will be one of the major alumina plants in the world.

Getting these international rivals, the companies mentioned—I shall not take up the time of the Committee by recapitulating their names—to co-operate is a lasting tribute, I think, to the late Ernie Evans. It should be remembered that all the companies involved are rivals in the international market for aluminium. However, by a gift peculiar to him, he was able to induce the rivals to co-operate fully in Australia. In other words, he brought the producers of 40 per cent. of the world's requirements of aluminium into the closest co-operation in the interests of Queensland and Australia. Surely that is a tremendous feat and one that will go down in history in perpetuation of the name of Ernie Evans.

The Leader of the Opposition went to great pains to mention profits going out of Australia and that sort of thing, but has he given consideration to the fact that it is envisaged that this alumina plant at Gladstone will provide employment for 1,500 employees during the course of construction and that 600 people will be required to operate it in its initial capacity of 600,000 tons? If capacity goes to 1,800,000 tons it is reasonable to assume that it will employ considerably in excess of that number. Of course, many others will be employed in the State on the construction of plant, on maintenance and modifications, and on the supply of raw materials, the disposal of products, and the provision of services. It is a tremendous undertaking. Initially, the plant will require annually about 1,400,000 tons of bauxite, 300,000 tons of coal, 80,000 tons of fuel oil, 100,000 tons of caustic soda, 50,000 tons of limestone, 3,000 tons of starch, 150,000,000 units of electricity and 650,000,000 gallons of fresh water.

The hon. member for Port Curtis will undoubtedly seize the opportunity with both hands, as this Government has, to set up local industries in the area, using the natural advantages of location at Gladstone to supply these and other requirements of the plant.

As the years go by, this development could, as the result of the establishment of this alumina plant, exceed the industrial developments at Newcastle and Port Kembla. Someone on the Opposition side, by way of interjection, raised the matter of housing. Of course houses will be constructed. The Minister indicated that we will supply some and the company will supply some. In addition, the employees, with the love of ownership of their own castles, will save from their wages and provide their own homes under the provisions extended through the Queensland Housing Commission. Other industries will be established to provide raw materials and other services and these, in turn, will create a greater demand for housing and result in an expansion of business.

Because of the volume of business, these industries should be able to operate most efficiently and so attract many other industries to use the competitively-priced materials and services they can offer. The development must grow, the expansion of industry making it more attractive for others to come.

Central Queensland is rich in raw materials, particularly coal, limestone, sulphur (in pyrites), and salt. It may also be rich in petroleum; we do not yet know. We have had indications that it could be rich. I have mentioned only briefly a few very important raw materials for a chemical industry. With cheap power and water, a great chemical industrial complex could grow based on these raw materials that I have mentioned and stimulated by the requirements of the alumina plant at Gladstone.

Coal provides power and carbon compounds for synthesis into many useful materials. From pyrites can come sulphuric acid. From salt can come caustic soda, chlorine and hydrochloric acid. These chemicals are the foundation of many chemical industries.

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

When considering the exploitation of our coal resources at Moura and Kianga it is interesting to note that the late Mr. Barkla of Taroom for very many years carried out extensive prospecting of the various coal seams. He made innumerable representations to the then Government seeking assistance to bring about the exploitation of these tremendous coal deposits, but all to no avail. However, as a result of this Government's forward planning and the attracting of overseas capital we have exploited these great areas of natural resources at Callide, Blair Athol, and so on, thus ensuring continuity of the supply of coal for the great alumina plant to be established at Gladstone.

It is interesting to realise that the provisions of this agreement referred to by the Minister envisage the establishment of a smelter at Gladstone by 1977. That in itself is a tremendous achievement because further quantities of coal and electricity will then be required. With the great demand for our export coal it could even lead to the exploitation of some of our natural gas resources. In turn, this would provide further employment and bring industries other than those I have already enumerated.

Another interesting fact is that Alcan are carrying out certain experiments which, if they prove successful, could bring about the conversion of bauxite direct to aluminium without the necessity of the alumina process. So far these experiments are in their infancy but there is a possibility of their being successful in the years ahead. It indicates the tremendous possibilities in the exploitation of these huge deposits of bauxite at Weipa and other parts of the Cape York Peninsula.

I personally welcome the introduction of this Bill. It is the culmination of the tremendous effort and wonderful work of the late Ernest Evans. The Bill will conclude the preliminary negotiations for the launching of this great alumina project at Gladstone; indeed, the launching of Gladstone and Central Queensland on a great sea of opportunity. I therefore commend the Bill to the Committee.

Mr. HANSON (Port Curtis) (2.30 p.m.): It has been said that this Bill is a very important one. I fully agree with that statement. As previous speakers have said, it is a climax to 10 years of bargaining and negotiation between the Government and the various companies concerned.

I was a little disturbed by the remarks of the hon. member who has just resumed his seat. He alleged that the particular companies which were negotiating with the Government initially were not too happy with the politics of the previous administration.

Mr. Ewan: I did not say anything of the sort.

Mr. HANSON: The hon. member said that they did not like to proceed because of the politics of the administration.

Mr. EWAN: I rise to a point of order. I have been misquoted. The remarks of the hon. member are offensive to me and I ask that they be withdrawn. I said it was known that bauxite existed at Weipa for at least 60 years and that a lot of overseas companies were not attracted because of the socialistic tendencies of the previous Government. However, I did not mention the present participating companies in this connection.

The TEMPORARY CHAIRMAN (Mr. Campbell): Will the hon. member for Port Curtis withdraw his statement?

Mr. HANSON: My remarks were not exactly word-for-word with what the hon. member said, but—

The TEMPORARY CHAIRMAN: Order! The hon. member for Roma has asked for a withdrawal of the remarks. I ask the hon. member to withdraw them.

Mr. HANSON: I withdraw them. To my mind, my words were expressed in better English; nevertheless, I withdraw them in deference to you, Mr. Campbell. What the hon. member said was stupid, inane and most intemperate.

On the subject of this agreement, I will give the hon. member for Roma the name of a gentleman who is well known in financial and mining circles in this State. The hon. member can communicate with him by telephone if he wishes to learn that when the previous Labour administration was in power negotiations had already started on this particular venture. Apparently the hon. member is deciding to leave his gallop on the track, and I think everybody knows what I

mean about that because I am sure there will be a lot of galloping on the track around Roma, and back here, by the Liberal candidate for the area.

Many hon. members, including the Minister, made reference to the choice of Gladstone as the site for the alumina plant. It is the main town in my electorate, the town in which I reside, and the vote of its people put me into Parliament. I am particularly pleased that it was chosen. I think the site is admirable. After many years' investigation by these companies, they chose the site on sound economics. They then approached the Government and said they would come to Gladstone. I am very happy because for many years we had an industry in Gladstone which was completely indifferent to the welfare of the working people who resided there.

The Leader of the Opposition spoke about the complexities of this agreement and the changes in the different companies. One would probably have to be a Philadelphia lawyer to understand many of the ramifications and complexities which have arisen since the scheme was initially launched. The Leader of the Opposition touched upon foreign investment in this country and explained the attitude of the Labour Party to it. Many of these companies, not only the one that is a party to the agreement we are discussing, because of various inducements given to them by Government departments and by the Government as a whole have a very heavy moral obligation to see that they work in the best interests of the community.

I have said here that any company enjoying the valuable concessions available in this State, if it intends to close down its industry, should at least give sufficient notice to the Government so that people are not unduly oppressed. This happened in my own town, the town in which the alumina plant will be built, about 18 months ago. A large-scale industry closed down overnight and there were 800 people whose jobs, lives, and homes were thrown into jeopardy.

We welcome this company because we feel it could bring fresh hope to us and could give to us something we have never enjoyed. Those who have been resident in Gladstone for a number of years look to the company with a fair amount of anxiety. They remember the frightful, hideous, and terrible attitude adopted by another company with large-scale foreign investment which operated in the town and which did not give them a fair go. This could be proved by the legal officer of Comalco Ltd. who told me that in the early stages of their negotiations to buy a particular plant in Gladstone, he told the previous foreign-owned company, Swift Aust. Co. (Pty.) Ltd., to continue for another 12 months as his company would not commence operations until September or October, 1964, and, in addition, that it

would not only help his company with company taxation, but would also relieve much of the suffering of the people employed in that industry. But the American firm denied flatly in the newspaper that this state of affairs existed or that such an inducement was held out. We do not want to shun these companies; we want to welcome them. But at the same time they have an obligation to see that because of concessions given by the Government, which is the people, they in turn play their part and ensure that the people are not unduly oppressed and subjected to ordeals such as I witnessed 18 months ago.

The hon. member for Belmont referred this morning to housing arrangements associated with this company in Gladstone. I said frankly six or nine months ago that I was not opposed to the housing arrangements that are being made for the employees of Queensland Alumina Limited. I am realistic enough to know that those people have to be adequately housed. But at the same time I realise that everybody in the community should be adequately housed, particularly people in Gladstone. I received a letter this morning from a woman who has three or four children. She is living in a tent on the creek bank because she cannot get a home. I shall refer her letter to the Minister later on to see if she can be allotted a home as she has a good case. I receive numerous requests about housing.

Many people say that houses are built for the alumina company and none are built for them. It is imperative that a company coming into a town should have a good public image. The Government should ensure that this company does not come into Gladstone under such adverse conditions. After all, I think the Government has a responsibility not only to those serving Queensland Alumina Limited but also to those who reside in the town, who have brought their families there, and have been there for a number of years, and are at present finding extreme difficulty in obtaining houses. At times, quite erroneously, they blame Queensland Alumina Limited for that situation. I am realistic enough to appreciate that employees of the company must be adequately housed, but at the same time there should be adequate accommodation for others in the town so that the company may be able to begin operations with a good public image and not create the impression that, because of its large multi-million pound organisation, it can trample underfoot the wage-earner who wishes to see his family properly housed.

On the question of planning, I notice that although the Ampol agreement does not actually contain a clause making it incumbent on the company to establish other industries, written into it was the requirement that investigations be made into the establishment of a petro-chemical factory or some other chemical works associated with the oil industry at the mouth of the Brisbane River. Whether they are living up to that obligation,

I do not know; I was not able to join the party that went with the Treasurer on a recent tour of inspection. It may be possible to elaborate on this matter more fully at the second-reading stage. However, I mention now that, with the concessions granted to this company, it is imperative for the future economy of the State that an aluminium refinery be constructed. Whilst I realise that the cost of electricity would be enormous and that it would be necessary to reduce the unit cost to attract such an undertaking, its establishment is, nevertheless, quite feasible. Insurmountable difficulties have been placed in the way of every project started in this country. When I was young it was claimed that motor-cars could not be built here. Now aeroplanes are being produced. It is, I maintain, quite possible to establish an aluminium refinery not, as some have suggested, in Australia, but in Queensland. After all, we in this State have been kicked around enough. When the railway line is constructed from Moura to Gladstone, coal will be available at low cost, and huge supplies of water in the Calliope and Boyne Rivers remain untapped.

Whilst on the question of planning, a very interesting little piece of information, which has been known to me for some considerable time, was made known by the Minister. This is that the company will be handling 100,000 tons of caustic soda a year. My information, which is correct, is that this product will be imported into Australia. Not far from Gladstone are the salt works at Bajool, and soda ash is available through I.C.I. interests in South Australia. A caustic soda factory could be established in the central district at Gladstone, and once a chemical factory begins operations it will be realised that the chemical industry becomes its own best customer. This could result in the establishment of a huge chemical industry in the central district. These are the things for which planning should be undertaken now.

It is all very well to say that the Bill deals with an agreement entered into with a particular company. Its ramifications are so large that they require adequate planning. It is most important—indeed, it is essential—for the Government to see that a refinery is built not in New Zealand or elsewhere but here in Queensland, so that the product of the alumina smelter can be treated in a refinery in Queensland. That is one thing for which the Government should be striving. A factory to manufacture caustic soda within the State is very important, too.

The hon. member for Roma was off the beam a little, I think—I might have misheard him—when he spoke of pyrites from coal and sulphuric acid from coal. However, pyrites is available not very far away and it could come into a chemical complex for the manufacture of aluminium sulphate and sulphuric acid. It is ludicrous that 52 per cent. of the cost of the brimstone being brought into this country for the manufacture

of fertiliser and sulphuric acid comprises freight when the components for the manufacture of sulphuric acid are available not far from where the smelter is to be built. These are things that we must look into when we are talking about agreements and their ratification.

The scope of the debate is very wide at the introductory stage of a Bill, and I am very thankful that it has provided me with an opportunity to put forward my ideas on the planning that should go hand in hand with this huge enterprise.

Mr. TUCKER (Townsville North) (2.36 p.m.): I suppose we must all welcome the proposed Bill to ratify the agreement with Alcan. It means that another industry has been established in Queensland and, looking at it from the point of view of a responsible member of the community, the addition of an industry to the State must be commended.

However, although I am a responsible member of the Parliament of Queensland, I also owe a good deal of allegiance to North Queensland, and I believe—there are many others who share my opinion—that the smelter should have been established somewhere in that part of the State. This point was made at a protest meeting when the suggestion was put forward originally, and the people of the North continued to try to press it. I am not attempting to “knock” Gladstone; I say that if North Queensland could not get it, I do not know of a better place for it than Gladstone. As my colleague the hon. member for Port Curtis said, facilities are available there, and I am quite sure that his representation will ensure that everything goes swimmingly in its establishment; but I still believe that the Government did not make every effort to have the smelter established somewhere in North Queensland.

When the agreement in relation to Comalco and Weipa was brought down in this Chamber, it was stated that a township of about 5,000 people would be established in the vicinity of Weipa. It was also stated at that time, if my memory is correct, that across the river from this proposed township another township would be established for the natives in the area who would be displaced. Although certain building has been undertaken at Weipa and port facilities have been provided, none of the other things have eventuated. As a North Queenslander, I believe that the Government has fallen down on its job in this respect. It gives lip service to the development of North Queensland, but the people of the North are continually missing out on the provision of facilities. Every time a new proposal is put forward, we try again. As the Minister said today, about 1,500 men will be working on the construction of this establishment, and approximately 600 men will be needed to operate it. That is a sizeable labour force, and, when families are taken into consideration, quite a few thousand people could be involved in the next few years.

The Government had a golden opportunity on this occasion, and if it had been prepared to press the case for the establishment of the smelter in North Queensland it could have added considerably to the population and development of that part of the State.

The Minister said that coal and limestone will be needed in this process. He also mentioned vast quantities of sulphur and electricity. Although he did not mention pyrites, we know that this is closely allied to the sulphuric acid that he mentioned would be used, also in great quantities. Every one of those materials is available around the port of Bowen.

Some might say that this industry could be established somewhere else in North Queensland. I have no argument against that, but we in Townsville felt that Bowen presented a golden opportunity because of the close proximity of those raw materials to the port. If the Government had given other than lip service it would have been prepared to put up a very strong case to Alcan or Comalco to have this industry established somewhere in North Queensland in order to add to the development of that area, which we feel is very necessary.

Some two years ago, when the late Watty Wallace won the seat of Cairns, 13,000 votes were cast. Last Saturday 10,000-odd votes were cast. Where have the other 3,000 people gone? I know that various arguments will be put forward tomorrow on this point, but I also know that the matter is very important in the hearts and minds of North Queenslanders. We know that there has been a gradual drifting away of people from that city. It does not matter whether the drift in population amounts to only one, two or three; it is very important that we do not lose any from that area.

It has been mentioned before—the remark bears repeating—that an effort could have been made to have this industry established in North Queensland, particularly in Bowen. The Minister said that subsidiary industries would be attracted to such a huge concern. Every one of us realises that the establishment of such a huge concern would attract other subsidiary industries, and that is why we felt it would have added so much to the development of the Bowen area or any other part of North Queensland. This company could have established its smelter in the Weipa area. I suppose there would have been arguments about the unattainability of electricity in the area. On the other hand, the raw material has now to be carted from Weipa to Gladstone, which will cost a great deal. If they had been prepared to do something at Weipa, electricity could have been provided and roads could have been built. But with much of this raw material quite handy we felt that the port of Bowen was where this industry should have been established and that it could have been established there very handsomely indeed.

The last point I want to make relates to housing. I think it was the Minister in charge of this Bill who last year brought up the question of the Government providing houses for firms which wished to establish themselves in Queensland. At that time I, among others, said that I thought it would be very wrong if houses were built by the Queensland Housing Commission for big firms if it was to be at the expense of other people in the State, and particularly, as far as I am concerned, the people of North Queensland. Today I reiterate that. I do not know how many houses will be built in Gladstone, but I believe it will place a strain on the resources of the Queensland Housing Commission, and I still feel that a large concern such as this, with its huge capital resources, could provide its own housing and allow the Queensland Housing Commission to continue to do what it was created to do, that is, build houses for the rest of Queensland, particularly in Townsville. Despite what has been argued to the contrary, I know that at least once, twice or three times a week, people have come to me seeking houses in Townsville. Those who do not have the ready cash to buy a house or put down a deposit are asking for rental accommodation. It is no use the Minister's saying that that problem does not exist. It exists in a very real fashion in my area. I resent the fact that a great deal of money will be drained away from the Queensland Housing Commission in constructing houses on behalf of these companies. If it means that capital is to be drained away from the Housing Commission in this way it is very wrong when we in North Queensland are crying out for houses.

Hon. J. BJELKE-PETERSEN (Barambah—Minister for Works and Housing) (2.46 p.m.), in reply: I thank hon. members for their contributions and general acceptance of the principles of the Bill. I also appreciate their general suggestions and criticisms. I feel that what has been said has been said in a spirit of constructive criticism.

The Leader of the Opposition spoke about the length of time between when the negotiations were entered into and the introduction of the Bill today. Various circumstances arise from time to time which cause delays. Let me assure all hon. members that our discussions were on the understanding that their outcome, whatever it may be, would have to be ratified by Parliament. If anything is altered in any way the company has to agree to those new conditions or retract. It has been made clear that if anything is brought forward in this Chamber which causes the Government to alter its views about the agreement then the company must accept the Government's decision. That applies in all instances.

The Leader of the Opposition spoke of the previous Government's intention to bring about a state of affairs similar to that which we have been able to achieve through these various agreements. That, of course, is

problematical. Admittedly certain negotiations had taken place but I believe that illustrations could be given of many other industries which never came to fruition in the days of the previous Government. Most hon. members will agree that we have adopted a more realistic attitude and have chased industry to a greater extent than did the previous Government by giving it encouragement to come here. We have been prepared to make conditions more attractive for industry. As one hon. member said, in one instance we did agree to do certain things.

Mr. Walsh: You sold out to the big companies.

Mr. BJELKE-PETERSEN: We have got big companies to come to Queensland. We have got them to do something worth while for the State.

Mr. Walsh: The Government is just a cat's-paw in this.

Mr. BJELKE-PETERSEN: I am sorry that the hon. member for Bundaberg is so critical of this great venture. Because of our attitude and our desire for some finality in getting the industry here we are getting it. In matters of this kind there has to be a certain amount of give and take and a practical approach to all the problems that arise. It is all very well to say that we should say to the company, "You should build the houses. You should provide all the facilities. You should do the dredging at Weipa." You just do not get any organisation to come here if you dump everything on its plate and say, "We will sit and watch. You can come here and do it and make the best of it."

Mr. Walsh: The Government did not build houses at Mt. Isa originally.

Mr. BJELKE-PETERSEN: That may be so, but that company had many years of bitter struggle.

Mr. Walsh: No, they did not.

Mr. BJELKE-PETERSEN: Yes, they did.

Mr. Walsh: Your party condemned the Government's attitude to Mount Isa in those days.

Mr. BJELKE-PETERSEN: They struggled for many years at a loss. It is very interesting to remember that if it had not been for the overseas investors in that great venture who were prepared to supply funds it would have folded up long ago.

In relation to the whole matter of Comalco, we had to negotiate. That is where we had a different approach from Labour, and that is why I doubt that this project would have come to fulfilment if the previous Government had remained in power. After these long negotiations we said, "We will dredge the channel at Weipa."

That has been carried out at great cost. They are going to repay it. About £1,000,000 is to be spent on dredging the channel at Weipa. We also said, "We will spend about £8,000,000 on harbour facilities at Gladstone." We then said, "We will help you and provide a certain number of houses in the initial stages to start you off."

Mr. Hanson: In some respects that was contrary to the agreement entered into in 1957.

Mr. BJELKE-PETERSEN: I do not know the full details. Right through we have encouraged, assisted and gone as far as we can. And I say that we were wise in doing so.

Mr. Walsh: Three Australian families cannot get houses in Gladstone. I cited the case of a family with five children who are without a home.

Mr. BJELKE-PETERSEN: Similar instances could probably be found in various places because of the rapid growth that is taking place.

The hon. member for Port Curtis believes that we should have houses for the company and some for the people generally. I agree with him. I would like to do the same, but we cannot have it both ways in life; we can only do the best we can. The whole of the State is growing rapidly. We are building houses as fast as we can throughout the State with the finance that is available.

I could quote industry after industry to prove that our attitude towards attracting industry to this State has been much more successful than that of the previous Government. We are really negotiating and encouraging, and we are prepared to give a little. In relation to the large areas for oil search, all these matters have played a very important part in getting overseas companies here and we are attracting much overseas capital in the search for oil. We believe this would not have happened under the previous Government because of the general attitude of Labour Governments over the years to industry. We have only to think back to the days when the State had its own taxing powers. There was a State industry tax of 8s. in the £1 in Queensland, compared with 1s. 6d. in South Australia and 2s. in Victoria. Right down the years Labour's attitude towards industry has been, "Make industry pay." Industry just will not come when such practices are adopted. Industries would not come here in those days. There were no industries to pay because they were not coming here.

Mr. Hanlon: If we did not have uniform tax your taxes would be pretty high.

Mr. BJELKE-PETERSEN: That is an entirely different question. Today we are trying to do something. In relation to bauxite we are not saying, "This is our national heritage." Labour did that with coal and said, "Do not let Japan have the coal; it is our national heritage." Mr. Hawke, the Western Australian Premier, fought the last election on the same principle. He said, "Don't give it away; it is our national heritage." That has always been Labour's policy. I have heard it said that we are giving our oil away, that we should nationalise the oil industry. Opposition members said they would rather let our coal sit out there than sell it to overseas companies. That would be like having money in the bank and never touching it; just looking at it. Our attitude is different, and that is why we have industry here.

The Leader of the Opposition spoke about various companies coming into Australia. On a national level he referred to Mr. McEwen, who would have a better appreciation of these problems than I as a layman. The important thing seems to be to get on with the job, to get somebody to do it, and to bring in and encourage those who have the capital and are prepared to do the job. I feel that we should get industries here and get them established regardless of the question of overseas capital. In that way industries can be built up, and later, when we are more consolidated industrially, we can do something about these other matters.

Capital content was mentioned. If we were to force Australian capital into this particular concern we would not get far. It would not be the size it is today and it would not be run as economically or as efficiently, because we would not have a market. Each one of the companies which has invested capital will take out the alumina or aluminium, and that is one of the important aspects of this undertaking.

This undertaking would not be attractive to capital from our own country because of its operative nature. No profit is expected from the running of the plant. It is on a tolling basis and the charge is made in respect of the cost of the material in proportion to what each company takes. As the cost is worked out on that basis, no profit is expected from the company that will produce the material at Gladstone. The profit comes from the export and sale of the material, and Australian capital would not have access to the markets. Hon. members can see the result.

Mr. Gavem: It is necessary to go outside for capital.

Mr. BJELKE-PETERSEN: Yes.

The Leader of the Opposition quoted a number of companies which intended to tender for the Gove Peninsula bauxite deposits. One or two of the companies the hon. gentleman mentioned have pulled out of the negotiations and are not interested.

If we make it too difficult to achieve or make the conditions too severe we will not get the companies. That is the position at Gove. British Aluminium was driven out of the Northern Territory and went to Western Australia. If we applied the same conditions and circumstances we would not have this company at Gladstone. It would be in Western Australia or one of the other States.

Mr. Walsh: Do you say that the Menzies Government drove them out of the Northern Territory?

Mr. BJELKE-PETERSEN: I thought the hon. member for Bundaberg would probably say something of that nature. If the conditions imposed are too harsh they do have that effect, as apparently they did in that case. One cannot be unrealistic. No doubt the Federal Government's action was the result of being over-zealous in developing the Northern Territory, and, in their keen desire to get development, they were a little too hard in the conditions suggested. That is not the way to attract business undertakings.

I thank the hon. member for Roma very much for his remarks. It is very heartening to receive good, practical support.

The hon. member for Port Curtis spoke of housing. I can see his point and I appreciate his desire to have something done. He cannot, however, have it all ways. An alumina smelter at Gladstone is very desirable. The hon. member seemed to think that it should be there right now. Rome was not built in a day, and these developments have to proceed step by step. I am sure the hon. member is exceedingly grateful that his town was selected for the establishment of the alumina plant. The Leader of the Opposition referred to the millions of pounds spent at the Alcoa plant at Geelong. I am sure all hon. members will agree that it is wise to move slowly in any business undertaking and make sure that there is a sound economic basis for its operation.

Throughout all of these transactions, this organisation has proceeded carefully and has been well planned to arrive at a solution with which the Government, the company, and the people of Queensland, especially the hon. member for Gladstone, are happy. His constituents must be particularly pleased. I can assure the hon. member also that, as he knows very well, by 1977 an aluminium smelter will be built in Australia or its territories. In arriving at this type of agreement, it is not possible simply to stipulate conditions; business cannot be done that way. I feel that that is where hon. members of the Opposition failed for so long in the past; they tried to be too hard in stipulating what could be done, without giving due recognition to all the facts.

The hon. member for Townsville North spoke about houses. Whilst I appreciate his remarks and the concern that he expressed, I

may say that Townsville has done pretty well in the matter of housing. Many more homes will be provided and, with the arrival of the Army and other developments, Townsville will grow rapidly. Before long it will probably be necessary to create another electorate in that area, and it is hoped that the hon. member will benefit from it.

Mr. Aikens: Don't you think it is time you did something for North Queensland?

Mr. BJELKE-PETERSEN: I was coming to that. The hon. member for Townsville North spoke about the need to do something for North Queensland. When negotiating with people who are prepared to embark upon an expenditure of £53,000,000 one cannot say, "You have to build at Bowen" or, "You have to build at Weipa." Economics determine where the industry is established. Admittedly the Government has always been anxious for development either at Weipa or elsewhere in the North, and has sought to encourage it in every way. The discussions on this matter extended over many months, and, as I said, the final decision was made on the economics of the matter.

Mr. Walsh: How many houses is the Queensland Housing Commission building for the company?

Mr. BJELKE-PETERSEN: That is a little bit beside the point. A number have been built and more will be built shortly.

Speaking generally, I am sure that the people of Queensland appreciate what is being done; in particular, I am sure that people in the Port Curtis electorate appreciate it. I thank the Leader of the Opposition for his comments in that regard. It is something that will be of advantage to Queensland. Perhaps the Opposition may object to the Government's getting credit for it, but I recall that the Leader of the Opposition and other hon. members on that side of the Chamber have always blamed the parties now in Government for the depression. They have been doing that ever since I have been a member of this Assembly. After many years of being blamed for the depression, I think we can sincerely claim full credit for the increasing prosperity of the State today.

I again commend the proposed Bill to the Committee.

Motion (Mr. Bjelke-Petersen) agreed to.

Resolution reported.

FIRST READING

Bill presented and, on motion of Mr. Bjelke-Petersen, read a first time.

The House adjourned at 3.9 p.m.