

Queensland



Parliamentary Debates  
[Hansard]

**Legislative Assembly**

**FRIDAY, 8 DECEMBER 1972**

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May 24, 1951, 1,056 ordinary, 800 'A' preference, 1,250 'B' preference; Clive Wentworth Uhr, August 31, 1954, 5,400 ordinary; Harry Richard Edwards, January 27, 1961, 200 ordinary; Burton Ellis Peterson, May 29, 1959, 200 ordinary; Irwin Robert Kyle-Little, July 25, 1972, 400 ordinary; Leonard Cresswell Lambert, July 25, 1972, 500 ordinary, 200 'A' preference; and Robert James Blackburn, July 25, 1972, Nil."

(3) "The secretary is Leonard Cresswell Lambert. The public officer is not required to be notified."

(4) "Leo J. Williams on November 15, 1948."

(5) "Peden Lavis & Co., on September 30, 1958."

## FRIDAY, 8 DECEMBER 1972

Mr. SPEAKER (Hon. W. H. Lonergan, Flinders) read prayers and took the chair at 11 a.m.

### PAPERS

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

Report of the Department of Works for the year 1971-72.

The following papers were laid on the table:—

Orders in Council under—

Medical Act 1939-1971.

The Northern Electric Authority of Queensland Acts, 1936 to 1964.

### QUESTIONS UPON NOTICE

INDUSTRIAL SALES AND SERVICE (QLD.) LTD.

Mr. Ahern for Mr. Hughes, pursuant to notice, asked The Minister for Justice,—

(1) Who are the present directors of ISAS (Qld.) Ltd. and on what dates were they appointed?

(2) What is the shareholding of each of the directors?

(3) Who is the secretary/public officer of the company?

(4) Who or which law firm carried out the incorporation of the company and on what date?

(5) Who is the auditor of the company and when was the appointment made?

Answers:—

According to documents filed in the office of the Commissioner for Corporate Affairs—

(1 and 2) "The directors, the dates of their appointments and their respective shareholdings are—Leo John Williams,

### TRADE CREDITS LTD.

Mr. Ahern for Mr. Hughes, pursuant to notice, asked The Minister for Justice,—

(1) Who are the directors of Trade Credits Ltd.?

(2) In which State or States is the company incorporated?

(3) Who or which law firm carried out the incorporation of the company and on what date?

(4) Who is the auditor of the company and when was the appointment made?

Answers:—

According to information filed in the office of the Commissioner for Corporate Affairs—

(1) "Walter George Parry; Ross Frederick Bragg; Denzil Macarthur-Onslow; Robert Duncan Somerville; and Alban David Marshall."

(2) "New South Wales."

(3) "Leo J. Williams and Williams attended to the registration of this company as a foreign company in Queensland on January 4, 1972."

(4) "A foreign company is not required to notify the name of its auditor on registration."

### FIRE HAZARDS IN HIGH-RISE BUILDINGS, BRISBANE; FIRE BRIGADE LADDERS

Mr. Bromley, pursuant to notice, asked The Minister for Development,—

(1) Is he aware that some high-rise and other buildings in Brisbane are classified as death traps as far as fire hazards are concerned?

(2) What is the length of the longest ladder used by the Fire Brigade in Brisbane and in Townsville?

(3) Is the longest ladder used by the Fire Brigade too short to reach the top floors of some buildings in Brisbane. If so, what action is being undertaken to correct the situation so that, in the event of disastrous fires, tragedies will not occur, such as have happened recently in the United States of America?

*Answers:—*

(1) "No, but I presume that the Honourable Member will be able to give me details of any building in that category of which he is aware and the name of the qualified person by whom the buildings have been so declared."

(2) "Brisbane 125 ft., Townsville 79 ft."

(3) "There is an obvious limit to the length to which ladders can be extended and, to my knowledge, no capital city anywhere has ladders to reach the top of every building. As a point of interest, the longest ladder appliance in Glasgow recently commissioned was a 100 ft. ladder. Modern buildings are constructed with alternative means of escape, that is one which provides another means of exit if the one normally used is blocked, smoke-free exits and adequate illumination, which is provided by way of natural lighting or emergency lighting so that evacuation may be satisfactorily undertaken if a fire occurs. Increasing amounts of in-built fire fighting equipment including water supplies and mains are provided in modern buildings."

#### COMPENSATION FOR PARENTS OF SERVICEMEN KILLED IN VIETNAM

**Mr. Ahern** for **Mr. Houghton**, pursuant to notice, asked The Premier,—

In view of the Press statement that draft resisters have been released from gaol and it is proposed to give them compensation, will he ask the new Commonwealth Government to also compensate all parents who have lost their sons in the Vietnam war?

*Answer:—*

"The actions and statements of the newly-appointed Commonwealth Government in the last 48 hours have given the people of Australia a very clear insight into their unprecedented sense of values and consequently I would not be too hopeful about their recognising the validity of the point made by the Honourable Member in his Question."

#### RAILWAY DEPARTMENT HOUSES, CLONCURRY

(a) **Mr. Inch**, pursuant to notice, asked The Minister for Transport,—

(1) Why are the rentals of Railway Department houses at Cloncurry, which are mostly in a poor state of repair and

badly in need of painting, increased by 25 per cent. to 40 per cent. after being vacated and re-let?

(2) Having regard to the state of disrepair, etc., should this not indicate a reduction rather than an increase in rentals?

*Answer:—*

(1 and 2) "All departmental houses, when vacant, are advertised with the rental which is to be charged and there has been no shortage of applicants. A recent increase in rental was made for house No. 3 from \$8 to \$11 per fortnight. This rental would by no means be considered excessive."

(b) **Mr. Inch**, pursuant to notice, asked The Minister for Transport,—

In view of the bad state of repair of Railway Department houses at Cloncurry, will he arrange for all necessary repairs to be carried out and for each house to be painted?

*Answer:—*

"The matter of repairs and painting of the departmental houses at Cloncurry will have consideration in conjunction with structural alterations and the installation of sewerage at that place which is at present under consideration."

#### DAIRY PASTURE SUBSIDY SCHEME

**Mr. Ahern** for **Mr. Gunn**, pursuant to notice, asked The Minister for Primary Industries,—

(1) Has he seen an article in the *Gatton Star* of November 30 in which Mr. Jim Fox, Chairman of the Laidley Branch of the Queensland Dairymen's Organisation, stated that the Dairy Pasture Subsidy Scheme is a burden to farmers?

(2) Is he conversant with the thinking of the Queensland Dairymen's Organisation in general on this matter and does this thinking coincide with the opinion of Mr. Fox?

*Answers:—*

(1) "Yes."

(2) "I am quite conversant with the thinking of the Queensland Dairymen's State Council, whose official opinion is that the Dairy Pasture Subsidy Scheme is the best thing that has happened to the Queensland dairy farmer."

#### REGISTRATION OF BUILDERS

**Mr. Cory**, pursuant to notice, asked The Minister for Works,—

(1) How many applications have been received from builders seeking registration?

(2) How many of these (a) have been accepted, (b) have been rejected and (c) are still to be processed?

(3) How many applications have been received from (a) Warwick, (b) Killarney and (c) Allora?

(4) How many of these have been accepted and what are the builders' names?

(5) Is a full list of registered builders to be published?

*Answers:—*

(1) "6,310 to date, including 212 received after November 14, 1972, on which date the three months statutory period for lodgment of applications expired."

(2) "(a) 3,192, (b) 19, (c) 3,099."

(3 and 4) "It has not been possible for the office staff of the Builders' Registration Board of Queensland to allocate time to providing statistical information such as that sought by the Honourable Member. The information sought will be provided as soon as possible."

(5) "Yes. The *Builders' Registration Act* 1971 provides for the publication in the *Gazette* of a 'Roll of Registered Builders of Queensland' in January of each year."

#### ASSIGNED LAND AND SALE OF QUOTAS, TOBACCO INDUSTRY

**Mr. B. Wood**, pursuant to notice, asked The Minister for Primary Industries,—

Further to my Question of October 19 concerning the transfer of tobacco quotas, has a decision now been made and, if so, what is the result?

*Answer:—*

"The question of the transfer of tobacco quotas has received detailed consideration by my Department. Following further discussions with industry leaders, which will take place next week, it is expected that certain recommendations will be placed before the Government at an early date."

#### BANNING OF NOISY MOTOR VEHICLE EXHAUSTS

**Mr. Hartwig**, pursuant to notice, asked The Minister for Transport,—

(1) As many cars and motor cycles are obviously fitted with noisy exhausts and as excessive noise is universally acknowledged as being one of the most undesirable features of modern-day living, will the Government consider taking the necessary action to prohibit the manufacture, sale and use of such exhausts?

(2) If their manufacture has been banned, why are so many vehicles equipped with them?

*Answer:—*

(1 and 2) "At their meeting at Broadbeach on July 7 this year which I attended, Ministers of the Australian Transport

Advisory Council, as part of their continuing programme to make motor vehicles safer and more compatible with the community, adopted anti-noise measures which will place upper limits on noise which can be made by cars, motor cycles and heavy vehicles. All passenger cars and their derivatives manufactured from January 1, 1974, must not under a laid-down test procedure, exceed a noise level of 84 decibels. Motor cycles made from July 1, 1975, must not exceed levels of between 82 and 86 decibels depending on their engine size while decibel levels for heavy vehicles would range from 85 to 92 depending on their gross weight and engine power, and it is envisaged that petrol-engine heavy vehicles would be required to meet these standards as from July 1, 1974, and diesels from July 1, 1975. The measures adopted were aimed at prohibiting excessive noise levels as those emitted by 'sporty' muffler designs. I might add for the information of the Honourable Member that the average recent model of family passenger car already meets the standards which will be kept under constant review to reduce 'noise pollution' of motor vehicles. Apart from new vehicles an Expert Committee is currently studying the position regarding the determination of upper noise levels for all vehicles in use on roads. In addition under the existing law as provided in Regulation 81 of the Traffic Regulations, it is an offence for any person to drive upon a road a motor vehicle to which is fitted a silencer which has been altered to reduce or be likely to reduce its effectiveness or to which any device capable of reducing the effectiveness of any silencer has been attached."

#### HOLIDAY RAILWAY SERVICES, SOUTH BRISBANE-LOTA LINE

(a) **Mr. Harris**, pursuant to notice, asked The Minister for Transport,—

(1) Is he aware that the revised railway time-table, which shows a reduced train service on Christmas Day, Boxing Day, New Year's Day and Australia Day, will cause untold hardship and inconvenience to many people who normally use the railway service on the South Brisbane to Lota line?

(2) Is he also aware that the service on this line for these days will result in a decrease of eight rail trips per day, resulting in a 25 per cent. cut in services?

(3) If so, will he give urgent consideration to having this unnecessary hardship investigated in an endeavour to again provide the service to which the travelling public is justly entitled?

*Answer:—*

(1 to 3) "It is considered the train services for the days mentioned will be quite adequate to meet the holiday traffic."

Details will be provided in my Answer today to a further Question by the Honourable Member."

(b) **Mr. Harris**, pursuant to notice, asked The Minister for Transport,—

(1) What are the departure times of the first and last trains from South Brisbane to Lota and from Lota to South Brisbane on Christmas Day, Boxing Day, New Year's Day and Australia Day?

(2) How many trains are scheduled to run from South Brisbane to Lota and return on these days and what number of trains ran on these days in 1971-72?

(3) Has any decision been made to curtail week-end train services on this line?

(4) Has any decision been made on the proposal to terminate the second division of the interstate train at Casino, New South Wales, next year?

Answers:—

(1)—

—	Christmas Day 25-12-1972	Boxing Day 26-12-1972	New Year's Day 1-1-1973	Australia Day 29-1-1973
<i>Depart South Brisbane for Lota</i>				
First Train ..	9.10 a.m.	7.5 a.m.	7.5 a.m.	7.5 a.m.
Last Train ..	6.20 p.m.	11.19 p.m.	11.19 p.m.	11.19 p.m.
<i>Depart Lota for South Brisbane</i>				
First Train ..	7.49 a.m.	7.49 a.m.	7.49 a.m.	7.49 a.m.
Last Train ..	7.2 p.m.	10.18 p.m.	10.18 p.m.	10.18 p.m. "

(2) "Trains scheduled to run—

—	Christmas Day 25-12-1972	Boxing Day 26-12-1972	New Year's Day 1-1-1973	Australia Day 29-1-1973
Ex South Brisbane	6	10	10	10
Ex Lota .. ..	7	9	9	9

Trains which ran 1971-1972—

—	Saturday 25-12-1971	Sunday 26-12-1971 (Usual Sunday service)	New Year's Day, Saturday 1-1-1972	Australia Day, Monday 31-1-1972
Ex South Brisbane	8	8	14	14
Ex Lota .. ..	8	9	13	13 "

(3) "No."

(4) "No."

ADDITIONAL CLASSROOMS, TULLY  
HIGH SCHOOL

**Mr. Row**, pursuant to notice, asked The Minister for Education,—

As crowding exists in classrooms at the Tully High School, will he give an assurance that the highest possible priority will be given to the recent application from the administration and the Parents and Friends' Association of that school for extension of the classroom buildings, particularly as they appear to be designed to be extendible?

Answer:—

"Although an assessment of the school's accommodation needs for 1973 revealed that the provision of additional classrooms was not an urgent necessity, the need to replace existing temporary classrooms is recognised. As a result plans have been prepared for the provision of two new blocks, each to contain three classrooms plus ancillary accommodation. This is a major project which will require inclusion in a future Works programme. Every possible consideration will be given to

its inclusion in the 1973-74 Works programme. It is to be noted that Executive Council has approved the expenditure of \$130,000 in the 1972-73 Works programme for the erection of a two-storied home science unit and a new manual training block at Tully High School."

#### FIRE-FIGHTING FACILITIES, "BELLEVUE" BUILDING

**Mr. Wallis-Smith**, pursuant to notice, asked  
The Minister for Works,—

(1) Has an inspection been made of the safety and fire-fighting facilities available at the "Bellevue", where country Parliamentarians reside? If so, what was the result and have recommendations been carried out and, if not, will he cause such an inspection to be made and expedite the provision of extra safety facilities?

(2) As extensive rewiring has been carried out throughout the building, will he have all the old and new electrical work inspected as soon as possible?

*Answers:—*

(1) "Yes. Effect is being given to the recommendations involving provision of signs, improved access and alarms. The work is being expedited."

(2) "The Electric Authority has inspected the premises and inspections of the electrical re-wiring are being made progressively by the Electric Authority. Further, the recommendations of the Electric Authority are being implemented."

#### EDUCATION FACILITIES, AURUKUN ABORIGINAL COMMUNITY

**Mr. Wallis-Smith**, pursuant to notice, asked  
The Minister for Education,—

(1) As he visited Aurukun recently during a tour of Cape York and Torres Strait, have plans been finalised for the Department to provide educational needs at Aurukun?

(2) Will a new school be built and when is it planned for it to be in operation?

(3) Has he considered this area to be viewed in the light of a special school, as many years of study have been given to language, which often presents difficulties in Aboriginal and Island schools?

(4) Has he recommended the building of a pre-school centre at this locality?

*Answers:—*

(1) "At the request of mission authorities, my Department has planned to take over responsibility for educational facilities at Aurukun in phases, the first phase commencing in 1973. Phase 1 consists of paying the salaries of teachers recruited

by the mission authorities, supplying material needs to the school and grants for equipment and library books."

(2) "The Works Department will be asked to advise regarding building needs at Aurukun. New construction will be planned and carried out during phase 2 but no timing for this can be defined as yet."

(3) "Yes. The Honourable Member is referred to my Answer to Mr. P. Wood, M.L.A., on October 27, 1972."

(4) "The Honourable Member is referred to my Answer to his Question on Thursday, November 2, 1972. My Department has offered to pay the salary of a pre-school teacher recruited by the mission authorities."

#### WATER SUPPLY SURVEY, TORRES STRAIT ISLANDS

**Mr. Wallis-Smith**, pursuant to notice, asked  
The Minister for Conservation,—

Further to his Answer to my Question on November 2, relative to water investigation on Torres Strait islands, that an officer was making an investigation on Murray Island at the time—

(1) What was the outcome of the investigation and what is intended to be done?

(2) What other islands have been investigated and what were the results of each investigation?

(3) Will he give consideration to water supplies for irrigation at Murray, Darnley and Stephen Islands, which have rich soils and are ideal for growing fruit and vegetables?

*Answer:—*

(1 to 3) "The available water supplies on Murray Island have been harnessed and the reticulation has just been completed under the supervision of an officer of the Irrigation and Water Supply Commission. In addition, this officer has investigated water supplies at Darnley and Badu and is presently completing his report. As I indicated on November 2 last, there are reservations regarding the reserves of water for commercial irrigation and it would appear that the Murray Island offers virtually no prospects for further development of water reserves. In effect, there is adequate for general use but commercial cropping must be regarded as impractical."

#### "HANSARD" IN PRISON LIBRARIES

**Mr. Sherrington** for **Mr. Baldwin**, pursuant to notice, asked the Minister for Tourism,—

In view of the well-known and established desirable practice of allowing prisoners to listen to Commonwealth

parliamentary debates, will he give favourable consideration to adding the "Hansard" reports of the Queensland Parliament to the list of allowable publications admitted to prison libraries?

*Answer:—*

"I have no objection to adding 'Hansard' reports to the list of allowable publications to be admitted to prison libraries as and when required by individuals on particular request."

**JETTY AND BOAT HARBOUR FACILITIES,  
DUNWICH, NORTH STRADBROKE  
ISLAND**

**Mr. Sherrington** for **Mr. Baldwin**, pursuant to notice, asked The Minister for Conservation,—

(1) Who owns the present jetty and the jetty parking area at Dunwich and under what Redland Shire Council and Department of Harbours and Marine terms are the facilities operated with respect to the lease rental and maintenance?

(2) Is it intended to transfer the public jetty from its present site and, if so, who made the recommendation, what are the reasons, where is it to be relocated and at what cost?

(3) Is it proposed to establish a new boat harbour at Dunwich? If so, where, when will work commence and what is the estimated cost?

(4) If the Answers to (2) and (3) are in the affirmative, how will such costs be distributed among State, shire and other bodies?

*Answers:—*

(1) "Dunwich Jetty is owned by Redland Shire Council and the parking area is portion of Junner Street. The council levies a charge on commercial users of the jetty. This revenue is shared between the council which manages the jetty and the Department of Harbours and Marine which maintains the jetty."

(2 to 4) "The existing jetty at Dunwich has reached the end of its useful life and requires replacement. The Department of Harbours and Marine in consultation with the Redland Shire Council is examining possible replacement alternatives and I expect a decision will be made in the near future."

**FEE INCREASES, JAMES COOK UNIVERSITY  
AND TOWNSVILLE TECHNICAL COLLEGE**

**Mr. Tucker**, pursuant to notice, asked The Minister for Education,—

(1) What is the planned rise in fees for 1973 for the James Cook University of North Queensland and the Townsville Technical College and what are the reasons for it?

(2) Is he aware that 51.4 per cent. of students at the James Cook University pay their own fees without financial assistance from scholarships or any other source and that the proposed rise could seriously embarrass such students in 1973, thus further restricting that section of the Queensland population which can afford to send its sons and daughters to the university?

(3) Was the raising of these fees to a high level done with an eye on the Commonwealth Labor Government's pledge to abolish tertiary education fees in the 1974 academic year and designed to save this State Government substantial sums of money at the expense of students?

*Answer:—*

(1 to 3) "There is no planned rise in fees at the James Cook University of North Queensland in 1973. In the Honourable the Treasurer's Appropriation Speech in the House on November 30, he announced that \$1 million was being granted by the State Government to the University of Queensland and the James Cook University of North Queensland to shield the two universities against a fee rise in 1973. The Honourable Member's leader referred to this grant in a Question he asked in the House last Tuesday. The question of fees in technical colleges is at present being examined by my Department."

**ALLEGATIONS BY MEMBER FOR REDLANDS  
AGAINST MR. K. L. PLANT,  
MAROOCHYDORE**

**Mr. Ahern**, pursuant to notice, asked The Minister for Justice,—

(1) Is he aware that in this Chamber on December 6 the Honourable Member for Redlands made allegations against a solicitor, Keith Lex Plant of Maroochydore, alleging criminal conspiracy in land speculation?

(2) Is he aware that the solicitor has denied any association with the companies or individuals mentioned in the speech?

(3) As the Honourable Member alleged that the solicitor had a convenient fire in his office to conceal information from a Department of Justice investigation, is the solicitor under investigation by his Department or is the allegation a complete fabrication?

*Answers:—*

(1) "Yes."

(2) "No."

(3) "An investigation is not being conducted by the Department of Justice. If the Honourable Member for Redlands has

made these allegations without foundation it is a sorry state of affairs that he abuses the privilege of Parliament knowing only too well that the private citizen concerned is not in a position to reply. If he has information in his possession I would suggest that he place it in the hands of the police. I presume he will inform the police forthwith and if not he will have the decency to send a letter of apology to the person concerned on the grounds that he was misinformed."

RELOCATION OF KANGAROO POINT  
SHIPYARDS

**Mr. Sherrington** for **Mr. Burns**, pursuant to notice, asked The Minister for Development,—

(1) With reference to his Answer to a Question on October 12 in relation to the State Government Interdepartmental Committee's report on the relocation of the Kangaroo Point shipyards, has any decision been made?

(2) Has consideration been given to a location at Fisherman Island or associated areas?

(3) When will the report be made public?

*Answers:—*

(1) "No."

(2) "Yes."

(3) "As the Interdepartmental Committee established to investigate the matter of the relocation of the Kangaroo Point shipyards was convened under the chairmanship of an officer of the Main Roads Department, it may be more appropriate in the circumstances if the Honourable Member were to direct this part of his question to my colleague, the Honourable the Minister for Mines and Main Roads."

FOREIGN INVESTMENT IN TOURIST  
INDUSTRY

**Mr. Sherrington** for **Mr. Burns**, pursuant to notice, asked the Minister for Tourism,—

(1) How many foreign-owned companies are operating in the tourist industry in Queensland?

(2) What is the total value of the operations?

(3) What is the estimated proportion of the tourist industry which is in foreign hands?

*Answer:—*

(1 to 3) "The information sought by the Honourable Member is not available."

EFFLUENT DISCHARGE AND FLOOD  
DAMAGE, CAIRCROSS DOCK

**Mr. Sherrington** for **Mr. Burns**, pursuant to notice, asked the Minister for Local Government,—

(1) Is he aware that oil, paint and other pollutants are discharged from drains in the Cairncross Dock directly into the Brisbane River?

(2) Can urgent action be taken to prevent the discharge?

(3) What damage occurred to the foundations of the new slipway at this dock as a result of flooding in the recent rains and what is the cost of repairs?

*Answers:—*

(1 and 2) "No, I was not aware that oil, paint and other polluted matter is discharged from drains in the Cairncross Dock directly into the Brisbane River. My departmental officers will confer with the manager of the dock and if the Honourable Member's statement is correct, steps will be taken to ensure that these discharges are discontinued as soon as other effective means of disposal can be arranged."

(3) "So far as damage to foundations of the new slipway is concerned, this comes under the jurisdiction of my colleague, the Honourable the Minister for Conservation, Marine, and Aboriginal Affairs."

REMEDIAL TEACHERS FOR CHILDREN  
WITH READING DIFFICULTIES

**Mr. Sherrington** for **Mr. Yewdale**, pursuant to notice, asked the Minister for Education,—

(1) In view of the evidence of increasing numbers of children in the community with reading difficulties, what remedial teaching is being given to children at (a) primary schools, (b) special schools and (c) secondary schools?

(2) What is his Department doing to detect this handicap amongst children?

*Answers:—*

(1) "Available evidence does not suggest any increase in the number of children experiencing reading difficulties. On the contrary, a recent survey of reading achievement in Queensland schools (Bulletin No. 41, Research and Curriculum Branch, Department of Education, Queensland) revealed a significant improvement in reading for meaning between 1965 and 1971. It is true, however, to say that there is a growing awareness of the needs of children experiencing reading difficulties. (a) With the increased professional skills gained by teachers in three-year pre-service courses and numerous in-service courses considerable remediation is being conducted in the normal primary classroom. For



those 2-3 per cent. of children experiencing severe specific learning difficulties the following provisions have been made:— (i) Five full-time specific learning difficulty (S.L.D.) classes; (ii) Forty-eight remedial teachers operate in various centres throughout the State. (b) In special schools the teachers, who have been specially trained for their duties, provide remedial programmes for those children performing below expectations. (c) In secondary schools, teachers who have special aptitudes towards remedial work, and who have undergone in-service training in this regard conduct appropriate programmes within their schools.”

(2) “The Guidance and Special Education Branch of the Department of Education conducts major surveys in city and country areas to determine those children who are suitable for special remedial classes. As well parents, teachers and other professionals refer children to this branch as it becomes apparent that the child is experiencing reading difficulties. Following such a referral, diagnosis of the problem is carried out and suitable remedial provisions arranged.”

#### LIQUOR IN RAILWAY GRIDDLE CARS

**Mr. Sherrington** for **Mr. Yewdale**, pursuant to notice, asked the Minister for Transport,—

Why is liquor not allowed to be served in railway griddle cars other than with meals?

*Answer:—*

“The decision that liquor was to be served only with meals was made because of the behaviour of a number of passengers who created a nuisance to other passengers and to railway staff working on the trains. Instructions to this effect were issued in March, 1971.”

#### USE OF WOOLLEN MATERIALS BY GOVERNMENT INSTRUMENTALITIES

**Mr. Aiken**, pursuant to notice, asked The Premier,—

Has his Government a firm policy on the use of woollen materials for various State purposes or have his expert advisers decided that acrylic and polyester fibres have greater advantages than wool?

*Answer:—*

“It is the policy to use woollen material wherever it is practical to do so. In the case of blankets and flannel, pure wool is always specified.”

#### FOREIGN OWNERSHIP OF LAND

**Mr. Aiken**, pursuant to notice, asked The Minister for Lands,—

(1) What percentage of the overall 10 per cent. of Queensland's land described as freehold land is held by foreign interests?

(2) Does his Department know (a) the number of nationalities involved in freehold land ownership and the actual number of individual foreigners sharing in ownership of these lands and (b) the number of nationalities and the actual number of individual foreigners who are owners or shareholders in leasehold land?

*Answer:—*

(1 and 2) “Shares in companies are freely negotiable and the picture on ownership is one subject to repeated changes. My Department does not maintain records relating to the movement of shares and, of course, there is the question of the use by companies of the nominee or agent. There is the further complication of the subordinate or subsidiary company structure. I have not made any attempt to ascertain in detail the names or the nationality of shareholders in companies owning land in Queensland. This would be a tremendous task, impossible of accurate assessment in certain cases, and would not warrant the involvements. Recently I made a statement indicating my support for the introduction of controls on foreign ownership of land. That statement was based on my own personal knowledge and estimate of the situation as it affects both leasehold and freehold land in this State. That estimate is satisfactory for my purpose and I say again that whilst the degree of foreign ownership of leasehold and freehold land in Queensland is not presently to the extent that it constitutes a problem, I am nevertheless in full agreement with public opinion that one important aspect emanating from the Yeppoon transaction involving foreign interests is that there is a definite need to control this type of situation to make sure that where such an acquisition takes place the proposal is in the public interest, that the area of land acquired is not excessive and that there are obligations placed upon the purchaser of a strict and enforceable nature in a real endeavour to ensure that this State reaps the benefits of foreign investment in land rather than the other extreme. There can be no question that in some of our more remote and more difficult areas the economics of which are beyond the family type enterprise, there is a need to encourage development by companies and corporations. Provided there are adequate controls it is clear to me that in those areas Queensland can't afford to turn its back upon the resources available from the foreign investor. Each case should be evaluated, of course, on its merits in the light of

public interest. As I stated recently, I will be submitting policy changes in the near future for the consideration of the Government."

WHEAT QUOTAS

Mr. Aiken, pursuant to notice, asked The Minister for Primary Industries,—

(1) Is he aware that Australia declined to accept from India an order for 400,000 tons of wheat because Australia could possibly have to buy wheat to fulfil commitments?

(2) Because of a marked shortfall of wheat, with carry-over stocks at a low level, and with Queensland losing its reputation as a reliable supplier and Australia seeking to establish permanent sales to needy countries, will his Government give earnest consideration to discontinuing wheat quotas in the coming season?

Answers:—

(1) "No. Sales of wheat are arranged by the Australian Wheat Board and details of individual sales are not divulged."

(2) "No. The low level of deliveries of wheat to the State Wheat Board has been due to adverse seasonal conditions and not to the introduction of wheat quotas."

SUBSIDENCE OF WALLS, URANGAN BOAT HARBOUR

Mr. Blake, pursuant to notice, asked The Minister for Conservation,—

(1) Is he aware of claims that the subsidence of the northern rock wall, now under construction at the Urangan Boat Harbour, approximates 4 ft. from the 550 ft. mark to the 1,000 ft. mark, in contrast to the 1 ft. subsidence allowed for under construction specifications?

(2) In view of imminent extensions to the southern rock wall, which has also suffered excessive subsidence, will he order an immediate reappraisal of both walls to ensure that there is no interruption to present construction or any lowering of wall-height specifications?

Answers:—

(1) "Yes."

(2) "The claims are not correct and no reappraisal is necessary."

BREEDING OF MURRAY COD

Mr. Blake, pursuant to notice, asked The Minister for Primary Industries,—

(1) Are Murray cod for restocking purposes being bred successfully in hatcheries in New South Wales?

(2) Has the temperature-range tolerance of this native fish been established?

(3) Have any attempts been made to introduce Murray cod to streams and storages north of the Mary River where this fish now occurs and, if not, when is it intended to introduce them as an additional food and sport fish?

Answers:—

(1) "Yes—at the Narrandera Freshwater Fisheries Research Station, New South Wales State Fisheries Department, commercial production is still limited."

(2) "Temperature tolerances for breeding have been established which involve a rise in water temperature of at least 4°C. to a minimum of 20°C. coincidentally with a slight rise in water level. Temperature tolerance levels for the survival of the adult have not been determined, however this species is unlikely to be capable of becoming acclimatised in the Fitzroy River system or other water systems further northward."

(3) "No attempts have been made. The reason for this is that this species is unlikely to breed successfully as the eggs require high oxygen concentrations to hatch, a condition which cannot be met within the northern river systems."

COMPLAINTS, AIR POLLUTION FROM MOTOR VEHICLE EXHAUSTS

Mr. N. F. Jones, pursuant to notice, asked The Minister for Works,—

With reference to his statement appearing in the *Telegraph* of November 16 to the effect that police were acting in obvious cases of smoke pollution caused by commercial trucks and that the police were acting on pollution by vehicles if a complaint was received, (a) how many complaints have been received by the Police Department and (b) what action was taken following these complaints?

Answer:—

"(a) Statistics in respect of this matter are not available for the whole of Queensland and could not be obtained without considerable inquiry. Since January 1, 1972, six complaints have been received at the Traffic Branch, Brisbane, on this subject, including one since the newspaper article of November 16, 1972. (b) The investigations in respect of three of these complaints have been finalised. Two of the complaints have been resolved by the defect in this regard being rectified whilst an inspection of the vehicle in the third complaint failed to reveal any defect to support the complaint. The remaining three complaints were received in November, 1972, and are still under inquiry. This particular breach of the Traffic Regulations in conjunction with all other breaches of the Traffic Regulations receives attention by the Police Department as and when required."

LICE INFESTATION, GOVERNMENT  
OFFICES, CAIRNS

**Mr. R. Jones**, pursuant to notice, asked  
The Minister for Works,—

Is he aware of complaints from public servants, both male and female, employed in the Government Offices at the corner of Shields and Abbott Streets, Cairns, in respect of a recent infestation of lice in the building and, if so, what measures have been taken to eradicate the nuisance and what future action is proposed to remove the pests and their source?

*Answer:—*

“A report of lice infestation in the Government Office block referred to received by the District Supervisor of Works, Cairns, on November 6, 1972, was attended to on the following day. The district supervisor reports that subsequent inspections have not revealed any recurrence to this time.”

ADVERTISEMENT FOR FITTER-MECHANIC,  
CLONCURRY

**Mr. R. Jones**, pursuant to notice, asked  
The Minister for Transport,—

Has his attention been drawn to a “situations vacant” advertisement in *The Courier-Mail* of November 16 calling for a competent fitter-mechanic to maintain railway machines, based initially at Cloncurry? If so, what is the nature and the list of duties applicable to the position so advertised, who is the advertiser and why has it become necessary for the position to be created and/or advertised in this manner? If not, will he have the matter investigated?

*Answer:—*

“This advertisement was not inserted by the Railway Department.”

DEFENSIVE DRIVING COURSES FOR  
GOVERNMENT DRIVERS

**Mr. R. Jones**, pursuant to notice, asked  
The Minister for Transport,—

In view of the traffic-engineering changes to cope with the increasing traffic volumes and the associated necessity for using the correct marked lane and other defensive-driving disciplines on the part of drivers, and in view of his statement in *The Australian* of December 7, has he recommended to Cabinet that all drivers of Government vehicles undertake defensive-driving courses?

*Answer:—*

“I made no such statement as alleged by the Honourable Member but I am happy to say that all drivers of motor vehicles, including those who drive Government vehicles, are given every encouragement to undertake the defensive-driving

course. In addition to the many public servants who have privately undertaken these courses, several large Government Departments, such as State Transport, Railways, Main Roads, Irrigation and Water Supply and Works Departments, have sponsored the attendance at these courses of members of their staff who drive Government vehicles.”

INCREASE IN POLICE STRENGTH,  
WYNNUM DISTRICT

**Mr. Harris**, pursuant to notice, asked The  
Minister for Works,—

In view of Police Union concern that only two police officers are on duty at the Toowoomba Police Station, which covers a district with 70,000 residents, will he give urgent consideration to transferring more police to the Wynnum Police District which has 60,000 residents and only one police officer on duty between midnight and 8 a.m. daily?

*Answer:—*

“The established police strength of Wynnum is considered to be adequate for the workload in that division. Two vacancies for constables will be filled as soon as possible. When the full complement of manpower is available rostering will be arranged to best advantage to meet local requirements including the period 12 midnight to 8 a.m.”

QUESTIONS WITHOUT NOTICE

ALLEGED MISUSE OF CYCLONE DAMAGE  
RELIEF FUNDS, JAMES COOK UNIVERSITY

**Mr. TUCKER:** I preface a question to the Treasurer by referring to the James Cook University of North Queensland and the cloud that was placed over the administration, staff and students on 7 September 1972, when the honourable member for Townsville South made allegations in this House of malpractice and misconduct at the university, using such words and phrases as, “Lovely little racket”; “a good kick-back is received”; “hundreds of dollars were spent on refreshments”; “other evidence I will produce to show that graft, corruption, robbery, dissimulation, lies, malversation—anything one might care to name—is rampant at the top in the James Cook University”; and “I have not indulged in any elaboration or exaggeration today.”

I now ask the Treasurer if he has studied the report by the Auditor-General into the allegations, wherein the Auditor-General states, *inter alia*—

“Subject to the possible exception of the matter of the altered invoice, no evidence could be found of any criminality by any officer or employee of the university or person having dealings with the university in the matters investigated”—

and, if so, what were his conclusions?

**Sir GORDON CHALK:** It is true that the Auditor-General held up the approval of the accounts of the James Cook University because of some statements that had been made to him by certain people concerning alleged actions on the part of employees of the James Cook University. It is also true that the honourable member for Townsville South made certain charges in this House. As a result, an inquiry was conducted by the Auditor-General and his report has been presented in this House. I believe it is true to say that the words of the Auditor-General clearly indicated that there was gross exaggeration by the honourable member for Townsville South and that, except for a matter relating to the alteration of an invoice and one or two other minor details, there was no basis for the honourable member's allegations.

I refer the honourable member for Townsville West to the statement published in the Press this morning by Sir George Fisher, Chancellor of the James Cook University. I believe that it contains a very full reply to the charges that were placed before this House by the honourable member for Townsville South.

**Mr. TUCKER:** I have a supplementary question for the Treasurer. While I agree with what he has said, as he indicated that he is aware that the lurid and disgusting allegations that were made have no basis in fact, why have he and the Premier remained so silent on the matter since the Auditor-General's report was tabled last Tuesday? Why has he or the Premier not made some statement designed to restore the morale and confidence of all the people at the James Cook University, from the Vice-Chancellor down, who have been blatantly maligned, as well as the confidence of those parents whose sons and daughters are, or will be, students at the university?

**Sir GORDON CHALK:** There is a simple answer to the question. The Auditor-General's report, which I believe completely cleared those who had been charged, was tabled in this House. So far as I know, it was given fairly wide publicity. However, as some people felt that wider publicity should have been given to it, the Chancellor issued this morning the Press statement that I have referred to.

HOLIDAY RAILWAY SERVICES, BRISBANE  
SUBURBAN AREA

**Mr. R. JONES:** I ask the Minister for Transport: In view of the announced reduction in rail services in the Brisbane suburban area over the forthcoming holiday period, has any consideration been given to having special cards printed with local time-tables clearly displayed at suburban stations in the metropolitan area during the next fortnight and in the interim period to familiarise the travelling public with the alterations and thus assist and encourage their full utilisation of the services provided?

**Mr. K. W. HOOPER:** Consideration has been given to the matter, and I believe it has been favourable. However, as a result of the honourable member's representations, I will again follow the matter up.

COMMERCIAL CAUSES ACT  
AMENDMENT BILL

THIRD READING

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

CORONERS ACT AMENDMENT BILL

THIRD READING

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

DISTRICT COURTS ACT AMENDMENT  
BILL

THIRD READING

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

ADOPTION OF CHILDREN ACT  
AMENDMENT BILL

THIRD READING

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

APPRENTICESHIP ACT AMENDMENT  
BILL

THIRD READING

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

GAMING BILL

THIRD READING

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

POLICE ACT AMENDMENT BILL

THIRD READING

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

STATE HOUSING ACT AMENDMENT  
BILL

THIRD READING

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

WORKERS' HOMES ACTS REPEAL ACT  
AMENDMENT BILL

THIRD READING

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

STATE SERVICE SUPERANNUATION  
BILL

SECOND READING

**Hon. Sir GORDON CHALK** (Lockyer—  
Treasurer) (11.53 a.m.): I move—

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

When introducing the Bill, I outlined brief particulars of the existing superannuation scheme and stated that the Bill had been designed to keep the State Service superannuation scheme one of the best in Australia.

I pointed to the fact that the present “unit system” has a weakness in that it tends to break down under inflationary trends, and that the older contributors were finding it increasingly difficult to finance additional units of benefit which were accruing to them very rapidly with increasing salaries late in their careers.

I stated that the combined Public Service unions had approached the Government on these matters, and that the Government had appointed a special committee to examine and report upon all aspects of the scheme and the unions’ proposals. As I have informed the House, the committee recommended that we retain all existing benefits and continue present contributions for those benefits, except for a special concession to those contributing more than 13 per cent of salary, but that for all new entrants and for all increases in salary we move away from the “unit system” and adopt a concept whereby benefits are based on “final average salary and length of service” and contributions are on the basis of “fixed percentage of salary”.

I would emphasise that the recommended scheme is designed on a permanent foundation and, while there is adequate scope for amendments and modifications as the need arises, the scheme is one that is structured to endure throughout changing conditions for a long period of time.

The Leader of the Opposition in his address indicated general agreement with the Bill pending a deeper study of its detail. He raised several points which I commented on in my reply. As to two questions he posed, I should now like to answer in more detail. Firstly, he asked whether there is a maximum amount that anyone will be expected to pay if he comes into the service relatively late in life. There is no set limit except that he shall not pay more than would entitle him to 45/60ths of his final average salary at 65. Any contribution over 5½, 6 or 6½ per cent of salary, as the case may be, will be of his own choice. For example, if a person commences service in the future at, say, age 50, he will contribute 6½ per cent of his salary for 15 years and his age-65 retirement pension will be 15/60ths of final average salary. However, he may, if he so desires, elect to increase his rate of contribution and

so purchase a higher proportion of final average salary. His additional rate of contribution will not attract a Crown subsidy.

The same opportunity will be given to late entrants who are currently contributing to the scheme, but in their cases any additional rates of contribution they may elect to pay for the purpose of increasing their benefits will be subsidised by the Crown on the normal 5 : 2 basis. This procedure is necessary to preserve existing rights under the present scheme. The additional rates of contribution are at present being calculated by the Actuary.

The second question on which enlightenment was sought was whether a person who contemplates retiring at 60 would be allowed to make an additional contribution to the fund right from the start and receive the full entitlement? The answer is that the normal retirement age in the Public Service as prescribed by the Public Service Act is 65. This Bill is not intended to change this by virtually enabling a new entrant at 17 or 20 to nominate that he will retire at 60. However, should he find, during his career that it is desirable or necessary to retire before he reaches 65 he may do so between 60 and 65 at a reduced pension. Under the existing scheme this reduction in pension is actuarially calculated and his pension is paid on the basis of the true valuation at the time of his retirement of the units he has been contributing for. It is obviously a substantial reduction because at age 60, for example, he would be contributing to the unit for five years less and taking a benefit out of the unit for five years longer.

Under the new arrangements contained in this Bill the member who elects to retire between 60 and 65 will not have to endure the full actuarial reduction. He will be further subsidised so that the reduction in his pension for early retirement will not be as great as it should be on the straight actuarial calculation. The reduction will now be calculated by formula which is contained in the Bill and every member will be able to do his own calculations for his options, whereas previously, each alternative had to be worked out for him by the Actuary. The formula shows that the annual pension for new members and for increases in salary for existing members would be reduced by 1.6/60ths for each year of early retirement.

To allow a member on entry to nominate an early retirement date at the cost of a slight increase in contribution rates would change the concept of the Public Service as a career service to age 65. This is not desired. Furthermore, it would be much more costly to the Crown which, in the present proposals, is already committed to additional subsidy of from \$3,000,000 to \$4,000,000 per annum. If a member wishes to supplement an early retirement pension, the financial responsibility for doing so must be his alone. He can achieve his objective, if he so desires, through life assurance or other means of saving.

Should there be any further matters in the Bill on which honourable members seek enlightenment I would be happy to answer them at this time. I again commend the Bill to the House.

**Mr. HOUSTON** (Bulimba—Leader of the Opposition) (12.1 p.m.): At the outset, I indicate that members on this side of the Chamber will not oppose the Bill. We believe it contains more strong points than weaknesses; nevertheless, I should like to refer to certain of its provisions.

From the latest report of the Public Service Superannuation Board, it appears that the fund holds the substantial amount of \$62,800,000 in trust. It is true, of course, that if all public servants were to resign at the same time the fund would take a terrible hiding. But in practice that simply does not happen. In fact, it is the usual custom for public servants to remain in the Service until they attain the age of retirement. Of course, some women employees resign upon marriage.

In 1969-70 the balance in the fund stood at \$46,600,000. In the following year the figure had increased to \$53,900,000, and, as I have said, at the end of 1971-72 the balance was \$62,800,000. Over the short period of two years, the balance standing to the credit of the fund has increased by 34 per cent. This continual build-up over the years leads me to ask: have the contributors to the fund received a fair return on their investment?

I have no doubt that the Government will claim that the fund is actuarially sound, so it is necessary to examine the basis on which an actuary determines whether or not a fund is sound. My knowledge of actuaries leads me to the belief that they never err on the generous side; rather is any error that is made on the other side. Not for one moment do I suggest that actuaries make errors, but they are—

**Mr. Sherrington:** Cautious.

**Mr. HOUSTON:** That is a very apt word. The actuaries have a tremendous responsibility to the Government as well as to the contributors, because, after all, the Government heavily subsidises the fund.

It is significant to note that last year a total of \$12,300,000 was paid into the fund, whereas \$3,500,000 was expended from it. By way of interest on its investments the fund received the sum of \$3,100,000, which is not much less than the expenditure of \$3,500,000 that I have just mentioned.

It can be argued that the fund is in a very sound financial position. When there is so much money in hand, now is the time to look after the participants—those who contributed the money—some of whom who have paid into the fund for over 45 years. Under the provisions of the superannuation legislation, a contributor's service is not calculated until he turns 20, but many older public

servants entered the service at 15 or 16 years of age and have actually contributed for much longer than 40 years.

In looking at the scheme in more detail, I shall deal first with a contributor who, for various reasons, decides to retire between the ages of 60 and 65. Under the legislation, a contributor who pays in for 45 years can get the maximum benefit. It is difficult to calculate back, and an exact figure cannot be determined without reference to a particular contributor and what he has paid throughout his career. However, on information supplied to me relating to a number of average contributors, a public servant who retires at 60 receives only 54 per cent of the entitlement he would receive if he continued working and contributing till age 65. To my mind, that is not a fair adjustment for the five-year earlier retirement. If a person of 60 believes that he should retire, he could so believe for many valid reasons.

In recent years we have all heard statements that this is the age of the younger man and that if possible, people who reach 60 years of age should be replaced by younger person. If this is the age of younger men, with younger ideas, surely we should encourage older employees to consider retiring with dignity. They can do that only if their income permits them to maintain an almost similar standard. I should like the Treasurer to reconsider the percentage of superannuation that a contributor is entitled to if he decides to retire between the ages of 60 and 65.

When the Treasurer introduced the measure, he made quite a play of the fact that it would greatly help older contributors who had taken out extra units. However, there is one catch in that the full benefit does not apply to the contribution he is making now unless he took out his maximum entitlement when it fell due. In other words, if a contributor did not take out the maximum units when they became due but decided to do so at a later stage, he would certainly be paying a much higher contribution than if he had taken them out when they fell due. People in these circumstances will not get relief from the payments they are now making, because the relief is related to what they should have done and paid years before.

If the position of an average public servant is examined as he advances in the Service, it will be seen that at no stage was he required to pay 13 per cent of his salary in superannuation contributions. It would have been much less than that. It is only when a contributor takes out extra units after the time he was entitled to them that his contribution exceeds 13 per cent. In some cases contributors are paying substantially more than 13 per cent, and there should be no opposition to assisting them. Because of the buoyancy of the fund, surely some assistance could be given to them.

There are two ways of looking at this problem. Either the Government should pay one-third of the amount that is over 13 per cent at any given time, or else the 13 per cent is too high. As a matter of fact, I foreshadow that in the Committee stage I shall move an amendment that the figure be reduced to 10 per cent. If the Government claims that assistance will be given to older contributors, it should be real and not theoretical assistance.

There are many reasons why a person does not take out his full entitlement when he has the opportunity to do so. He could have other commitments, such as paying off a home, educating his children, sickness, or any one of a number of factors that would vary from contributor to contributor. Under the former scheme he had no incentive to take out more units than he believed he could afford to pay for at that time. Since then, he has realised that a certain investment will return a certain amount and that a certain fortnightly payment is needed to allow him to enjoy a reasonable standard of living on retiring. Because of inflation, what he thought was necessary is no longer sufficient.

It must be remembered, too, that years ago many contributors decided to contribute a higher amount than necessary without having any intention of obtaining the type of relief that is provided by this Bill. It is not a matter of their wanting at this stage to take out extra units simply to obtain that relief. Older contributors, as I said, should be given some practical assistance.

**Mr. Tucker:** Many top officers are now living a hard life simply to make provision for their old age.

**Mr. HOUSTON:** That is right, and the reason why they are living a hard life is that they did not take out their full entitlement when they had the opportunity to do so. Now, in the later years of their careers, they have to make up for lost time, as it were, by paying much larger contributions. If the formula contained in the Bill is applied, it will give them only minor relief because a large proportion of the extra amount they are paying is not covered by the formula.

Cost-of-living adjustments are not covered by this Bill. This is one reason why the Government should consider my earlier suggestions to make it easier for contributors. I hope that the next time this Act is amended, cost-of-living adjustments will be considered. I realise that the benefit will increase by 3 per cent per annum and that the Treasurer will argue that, actuarially, we cannot afford any more. However, as I have said before, actuaries tend to be very conservative in their approach to these things. Of course, if the cost of living and other annual increases could be contained at 3 per cent per annum, everybody would be perfectly happy. All the experts, however, say that even under a Federal Labor Government the rate of increase will be about 7 per cent annually.

I believe that an average should be struck between 3 per cent and 7 per cent, and that the annual increase should be 5 per cent. That would give some measure of justice to contributors.

As I have said on many occasions, the whole idea of the annual increase is to ensure that those who are retired do not have to bear an extra burden of worry each year. Life expectancy is increasing, and it is now normal for a man to have 15 or more years of retirement. It would be a sorry state of affairs if his purchasing power decreased by 5 per cent each year. Of course, that is the risk taken by those who commute to lump-sum payments, although in times of inflation the rate of interest payable on money invested is higher than in other periods.

**Mr. Tucker:** In other words, their destiny is in their own hands.

**Mr. HOUSTON:** That is correct. They have freely elected to take the lump sum, and the fund then has no more responsibility to them. They have taken the risk, and it is theirs for all time. They can do what they like with the money, and, on death, it passes to their estates and becomes taxable at that time. The death of a person who has elected to take his benefits annually represents a complete saving to the fund. In the case of contributors who, more likely than not, will not receive 10 times their annual entitlement, it seems fair to increase the annual rate of appreciation.

This brings me to a point that has relevance to the commuting of superannuation benefits. I think I have interpreted the Bill correctly; if I have not, the Treasurer will no doubt put me right. Let us take the case of a person who already has sufficient units to entitle him to a pension of \$4,000. After he reaches 60 years of age, he decides to pay extra contributions to provide another \$2,000. As I understand it, he then cannot commute any of his entitlements. He cannot even commute the original units for which he had built up an entitlement over the years, and he certainly cannot commute the added ones.

I believe this to be a requirement that cannot be justified. The contributor does not fix his contributions. After deciding to contribute for an increased sum and paying the contributions prescribed by law for that amount, if he finally becomes entitled to commute one cent he should be entitled to commute the lot. That should be his right. If he does not have that right, he is being given something with one hand and having it taken away with the other. I hope that the Treasurer, on behalf of the Premier, will see fit to do something about this situation.

I also note that, depending on years of service, there are considerable differences in the amounts to be paid under the new scheme and the old scheme. There are also significant differences in the benefits to be paid under the two schemes.

I believe that the purpose of the scheme is to help all contributors, particularly new ones, and also to ensure that old contributors are not disadvantaged. That is a good policy. Let me take as an example a person entering the Public Service as an adult—say, at about 40 or 45 years of age. Under the existing scheme he would be able to take out the number of units of superannuation to which his salary would entitle him. In doing so, he could decide to contribute for an amount that he thought would meet the situation at that time. If he entered the Public Service on a fortnightly salary of \$384, or \$10,000 per annum (and there are professional men who enter the service on that salary), he would be entitled to take out 60 units of superannuation. That would entitle him to an annuity of \$6,000 when he retired, say, 20 years after entering the service. His contributions would be assessed in accordance with the scale laid down; he would not have to make any additional payments.

However, if a person enters the Public Service at a similar age after the Bill has been proclaimed, his maximum entitlement is one-third of his final salary. Disregarding in each case any possible effect of inflation—if it applied in one case, it would certainly also apply in the other—on retirement he would be entitled to an annuity of \$3,333. That indicates quite clearly the difference that I am bringing to the notice of honourable members.

A person entering the Public Service will no longer be able to look at fixed tables and say, "My age is so-and-so, my salary is so-and-so, and this is what I will receive when I will retire." He will also have to consider many factors that cannot be determined accurately at that stage. For example, he will have to try to assess what his salary will be in the future and how many years he is likely to be in the Public Service. If he begins working out how much he will have to contribute, he will find himself in a situation similar to that of a number of other people at present—that is, that he is paying more in superannuation contributions than he really ought to be.

As the Bill lays down that an actuarial assessment of the scheme will be made in June 1973, I suggest to the Treasurer that if it is then found that the assets of the fund are still increasing in comparison with possible liabilities, drastic changes should be made.

The Act now provides—it is repeated in the Bill—that a contributor is given one month in which to make up his mind whether or not he wishes to take out additional units or to have an additional percentage taken from his salary to provide a higher annuity. In many places in the Bill there is reference to matters being referred to the Actuary. Surely a prudent person would not enter the scheme blindly and say, "I will take this or that." He would wish

to consider it, have certain sections of the scheme analysed for him, and know exactly what he was committing himself for. I cannot see any reason why the period has to be restricted to one month. Surely it would not be asking too much to allow two months. We should not lose sight of the fact that this superannuation scheme is designed for the benefit of employees. In fact, the whole concept of superannuation is to assist employees and, as I said earlier, allow them to retire with dignity. Nothing is more likely to cause a person to make a wrong decision than having to decide hurriedly, and I do not believe that any restrictions should be included in the Act that might possibly interfere with a public servant's being able to make a correct decision. Surely the additional time that I have suggested will not adversely affect the working of the scheme or its actuarial soundness.

I wish to deal now with the time when unit adjustments and so forth can be made. At the present time the date is 1 October 1972, but I suggest that it should be 1 January 1973, the operative date of the Bill. The Treasurer might say that warning has been given because everyone knows what is in the Bill and therefore the public servant will be able to cash in, as it were, on a better system.

As I said before it is the public servant's money. He is contributing to the fund on a fixed scale. It is not a matter of anyone doing anything dishonest. In actual fact, notice of the Bill was given well before 1 October. Some of the amendments contained in the Bill were well known before the Bill was introduced. The Treasurer could argue that the public servant should have known of the new scheme at that date. That is not good enough. Many people in all walks of life take no notice of matters in which they are involved until they are pointed out to them. Some people do not take any notice of things that are to their advantage unless someone says to them, "You had better have a look at this."

Every year since I have been here I say the same thing—and no doubt I will continue to say it in the future because I believe it is true. It is not right that legislation such as this should be rushed through Parliament so soon after its introduction. It is a very involved Bill.

**Sir Gordon Chalk:** You have had it a week, though.

**Mr. HOUSTON:** I have had it a week, but there have been about 28 other Bills to be considered. It is part of our responsibility to give every Bill close scrutiny, not just one.

**Mr. TUCKER:** As well, we should have time to get outside opinions, too. I couldn't get my copy of the Bill to North Queensland and back in time.

**Sir Gordon Chalk:** We can always hold the Bill back until March.



**Mr. HOUSTON:** That is no argument at all. I do not want to get involved in that type of nonsense. The point is that the House will be sitting for another week, and there are plenty of other Bills on the Business Paper to be dealt with. I know that the Treasurer wants to have the Bill through Parliament before Christmas—I am not arguing against that—but we received the Bill only last Friday. It is necessary to allow the contributors some say. It is their superannuation money.

**Mr. Lane:** Take a speed-reading course.

**Mr. HOUSTON:** That is the type of nonsense one expects when children come into Parliament. I am speaking now about mentality, not age.

Surely the contributor is entitled to have a look at the situation of which he is a part. The Public Service superannuation scheme covers the people I am talking about. The Government deliberately said, "We didn't discuss it with the unions beforehand." Surely the unions have a right to study the Bill and ask their legal and actuarial advisers to look at the situation as it affects their members. The Treasurer has had plenty of time to look at it as it affects the Government. I have no fight with that at all, but I have plenty of fight with the fact that Parliament and the public, particularly those members of it directly concerned with the legislation, are denied an opportunity to study the Bill to make sure that it will work properly.

It is significant that every time legislation dealing with the Public Service superannuation scheme comes before Parliament the Premier is absent, even though he is responsible for the legislation. It is always the Treasurer who introduces the legislation. I am very interested to know whether the Premier understands the Bill. I venture to say that he does not understand it, and that is why the Treasurer is handling the Bill. It does the Government no credit at all.

**Mr. Tucker:** You have put your finger on a soft spot there.

**Mr. HOUSTON:** That is right. The Premier has been in Parliament a very long time, and if he does not understand what is in the Bill—

**Mr. W. D. Hewitt:** He is always well briefed.

**Mr. HOUSTON:** If that is the case, surely others directly affected should be given more time to look at it.

The Opposition will not be opposing the Bill, but we will try to strengthen it to give the contributor a better deal. We will take the Treasurer at his word. He has said that he wants to help the older contributor, that he wants to put nothing in the way of the scheme operating properly and that he wants those entitled to receive benefits to get them. Our three amendments will be in line

with those sentiments. We should have liked to move other amendments. We should have liked to try to get the 3 per cent annual increase up to 5 per cent, but realising that this matter is not covered in the legislation we will not make any move in that direction.

With those remarks, on behalf of the Opposition I express support for the Bill. We will discuss it further in the Committee stage.

**Mr. SHERRINGTON** (Salisbury) (12.31 p.m.): I have no desire to delay the passage of the Bill even though the Treasurer did suggest that we might defer it until March.

**Sir Gordon Chalk:** I said if you desired me to do so.

**Mr. SHERRINGTON:** I think the Treasurer was being a little churlish in making that suggestion.

While I have no desire to hold up the passage of the legislation, I think the Leader of the Opposition very clearly set out some of our reasoning and suggestions on how it could be strengthened. There are one or two matters I should like to deal with briefly.

**Mr. Lane:** That's a change.

**Mr. SHERRINGTON:** At least, if I deal with them briefly and it is a change, I will also, as usual, be sensible in my contribution, which is in marked contrast to the attitude of the honourable member for Merthyr.

One of the features of this legislation that concern me is that, in the Treasurer's desire to bring some semblance of justice to the contributor who has been in the scheme for many years and whose contributions are reaching a considerable proportion of his salary, one point has been overlooked, namely, what is going to happen to the person who enters the State Public Service on or after the beginning of next year. As I read the Bill, the present fund will be frozen and this new scheme superimposed upon it. On the reckoning I have made, in 10 years' time a situation will develop where the contributions of two salaried officers on the same classification will vary greatly, with the continuing contributor paying something like \$250 a year less than the contributor who joins the fund as from the commencement of this legislation.

It takes an officer some 10 years to reach the top rate in certain of the classifications within the Public Service. Because of the limited promotion opportunities available to public servants, an officer who reaches the top of his classification scale may have to wait as long as eight or 10 years for a promotion. He might remain on a salary that a person who enters the Public Service next year will receive in 10 years' time.

If the present scale of contributions is applied, it shows that a member of the present scheme might contribute \$500 a year,

whereas under the new scheme a person who enters the Public Service next year will contribute as much as \$750 a year. The result is that two officers receiving identical salaries are paying different contributions.

The Treasurer should examine this aspect, because there is no doubt that it will result in dissatisfaction with the Bill. It must not be forgotten that a lad who enters the Public Service next year at the age of 16 and reaches the top of his classification after 10 years' service will be required to contribute at the higher rate at a time when he can least afford it, that is, when he is endeavouring to settle down and raise a family.

The other principle to which I wish to advert briefly is the suspension of contributions after a public servant is absent from duty on sick leave without pay for two weeks. The Bill provides that such an officer's contributions will be suspended but are to be paid when he resumes employment upon regaining his health.

I use that example to highlight the total unfairness of the scheme as it applied to those public servants who were obliged to do two years' National Service training. The Act provided that prior to commencing his training a public servant was required to ensure that the necessary amount to cover his weekly contribution to the fund was deducted from his Army pay and deposited in the fund for the whole of his two years' service with the Army. I always thought it was a penalty in that money was debited to national servicemen for payments that were not being made by the Government. During their two years' National Service some positions were reclassified. That meant increased contributions to the fund, and many National Servicemen found on returning to the Public Service after two years in the Army—and, incidentally, they were drafted into it—that they owed the Public Service Superannuation Fund further sums.

If my memory serves me correctly, a couple of years ago I told the House that amounts owing by returning National Servicemen varied between 60c and \$150. At the time I pointed out the total unfairness of the system by which National Servicemen had to pay contributions on increases in salary that they had not received. I also said it was a somewhat bitter welcome back to the Public Service. No doubt they were thanked for their service to their country and then told, "You now owe the superannuation fund 60c."

I have no opportunity to see whether the Bill contains any provision to cover such situations, but happily, since the return of an enlightened A.L.P. Government in Canberra, young men will no longer be drafted for National Service—at least for the next few years.

**Mr. W. D. Hewitt:** The Opposition is gloriously confused on the subject of conscience; there is conscience about compulsory National Service, but no conscience about compulsory trade unionism.

**Mr. SHERRINGTON:** I do not want to enter into an argument with the honourable member for Chatsworth on the matter of conscience, nor do I want to enter into an argument on the obligations of a man to serve his country. It is passing strange that the most ardent supporters of National Service are usually those people who are eligible for military service or have sons who are eligible for it, but I have yet to see any of them subscribe to their ideals by volunteering. In any case, there is a vast difference between a person compulsorily belonging to a union and compulsorily putting his life in jeopardy as a result of the ballot of death that was introduced.

I do not wish to be drawn from my submissions on the Public Service superannuation scheme. I will be quite happy later to debate the matter of conscience as it relates to National Service and the unfortunate people who had to participate in the ballot of death. I do not want members of the Public Service—contributors to this fund—to return from service for their country in some form or another, only to be told, "You owe the fund so much."

As the National Service situation has been resolved, I believe that the unfairness of the penalties imposed on National Servicemen in the last couple of years under this scheme well merits the Treasurer's attention.

**Hon. Sir GORDON CHALK** (Lockyer—Treasurer) (12.45 p.m.), in reply: I appreciate the tone of the debate and the basis on which members of the Opposition have exercised their prerogative to question or criticise the Bill. However, I was somewhat disappointed that the Leader of the Opposition saw fit to cast some aspersions on the Premier. He was in Central Queensland last Friday when the Bill was introduced, and, today he is at the funeral of the late Mr. H. B. Taylor, a previous member of this Parliament. He asked me to pilot this Bill through the House. He has a full knowledge of the workings of the Bill, because it came before Cabinet and was discussed at the party meeting.

I shall now deal with the specific issues raised by the Leader of the Opposition. We could debate at length the various viewpoints expressed by actuaries. All sound superannuation schemes and, for that matter, schemes involving major insurance companies are based on the advice of an actuary, or a number of them. I believe it is correct that a long-range superannuation scheme should be based on the best advice available.

An approach was made to the Government by the union, which indicated the amendments that it believed should be made. The Government set up a committee to inquire fully

into each particular aspect, because this is a matter that cannot be hammered out by various departmental officers or even a political party. A report was presented and the Government decided to accept it. The Bill is the result of the initial request by the union, the viewpoints of the committee as to what could be or might be done, and the advice of the Actuary.

Reference has been made to an officer who retires before he is 65 years of age. I have some personal views on this matter. I might not see eye to eye with what is contained in the legislation, but I have accepted the advice tendered to the Government. A person who retires four or five years before the accepted age of retirement has what might be described as a benefit both ways. He pays less into the scheme and, as well, commences to receive benefits at an earlier age. We have accepted the basis of a percentage of benefits at age 60 and over.

There is another matter on which I cannot agree with the Leader of the Opposition. It concerns those who, for want of a better word, have been described as "older" contributors. I think it will be seen clearly by all honourable members that, irrespective of a person's situation in life, he cannot, if I may use a racing term, back a horse after the race is over. A bookmaker does not take a bet after a race has been run. Whatever may have been the circumstances of people in the past, they had an opportunity to take advantage of the scheme as it applied over the years. I understand that circumstances may have meant that some could not take advantage of those opportunities, but I think it is fair to conclude that there are others who could do so who chose some other form of protection for themselves. I cannot see any justification for taking in those who did not take advantage of the opportunities available to them and extending to them the privileges enjoyed by those who have been in the scheme, and made their contributions to it, over the years.

Reference was made to increased payments to meet increases in the cost of living. The Bill continues what has been an accepted practice over a long period. It takes account of the average percentage rise in the cost of living over a period, and applies that figure to superannuation benefits. In some periods, of course, the cost of living rises more steeply than in others, and the figure used is the one on which the scheme has been based as actuarially sound. It was put to me, as Treasurer, on that basis, and I agreed to continue what had already applied for a long time.

The Leader of the Opposition referred to the commuting of benefits by older contributors in the latter years of their service. Although I do not suggest that there would be any trickery in this matter, I should imagine that if what was suggested today applied, some people would avoid the extra commitment over a period of time and would

come into the scheme just before their retirement. The fund would then be heavily involved, and injustice would be done to those who had contributed throughout their career.

The points raised by the Leader of the Opposition are points that I know the unions have conveyed by letter to the Premier. In fact, the unions suggested that a deputation discuss the matter with the Premier. Time has been a factor in furnishing a reply, but an answer to the points raised has been sent to them. The Leader of the Opposition has raised some of those matters today, and I have taken the opportunity to reply to them.

Several issues were raised by the honourable member for Salisbury. After careful examination, I cannot concede the effect of them. I am aware of the situation concerning National Service and overseas service during the war years. It is unfortunate that the incidents to which the honourable member referred should have occurred, but, as he said, the position has now been clarified. Of course, under present circumstances the honourable member could perhaps take some credit for ensuring that they did not occur again.

The main purpose of the Bill is to upgrade the superannuation scheme so that it will be in keeping with other similar schemes throughout Australia. In my opinion, public servants generally will appreciate what is being done. If they wish to raise other points from time to time as they arise, those points can be examined and, if necessary, further amendments made to the Act.

As I said at the introductory stage, I gave the unions an undertaking that the Bill would go through before Christmas, and I am honouring that undertaking. The Leader of the Opposition said that its passage had been somewhat rushed. I concede that perhaps there could have been a greater period between the first and second readings. However, Parliamentary draftsmen have certain responsibilities with Bills—I make it clear that I am not casting any reflection on them—and the Government has a number of issues that it desires to bring forward, and it accepts responsibility for priorities in the presentation of legislation. I indicated last Friday—a week ago today—that I would not rush the Bill through, and I think it is reasonable to bring it before the House again today.

Motion (Sir Gordon Chalk) agreed to.

#### COMMITTEE

(The Chairman of Committees, Mr. Lickiss, Mt. Coot-tha, in the chair)

Clauses 1 to 5, both inclusive, as read, agreed to.

[Sitting suspended from 12.58 to 2.15 p.m.]

Clause 6—State Service Superannuation Board—

**Hon. Sir GORDON CHALK** (Lockyer—Treasurer) (2.15 p.m.): I move the following amendment—

“On page 7, after line 50, insert the following new subclause—

“(12) The Public Service Superannuation Board as constituted immediately before the commencement of this Act shall, notwithstanding the provisions of section 74 of this Act, continue in existence and be the Board within the meaning of the 1958 Act and this Act until the thirtieth day of June 1973 or until the State Service Superannuation Board is first constituted under this Act whichever is the earlier.”

Provision is made under clause 6 of the Bill now before the Committee for the appointment of a board to administer the superannuation scheme.

The repeal of the provisions of the existing Act under which the present board was constituted will terminate its powers on 31 December 1972. The formalities of selection and nomination of officers to the new board by the Minister and the unions specified in the Bill will take some time, and it is considered desirable that the board as presently formed continue to administer the fund until the new board is appointed.

I point out for the benefit of honourable members that this matter was drawn to my attention by the draftsman. It is one of those little things which, in the drafting of a Bill, can be overlooked. To make doubly sure that there is security and a continuation of the board, I am moving the amendment.

Amendment (Sir Gordon Chalk) agreed to.

Clause 6, as amended, agreed to.

Clauses 7 to 23, both inclusive, as read, agreed to.

Clause 24—Rates of contribution—

**Mr. HOUSTON** (Bulimba—Leader of the Opposition) (2.18 p.m.): I move the following amendment—

“On page 16, line 22, omit the words—

‘one month’  
and insert in lieu thereof the words—  
‘two months’.”

I will not labour the point as I think I covered the reason for the amendment at the second-reading stage. It seems to me that the one month that an officer is allowed in which to make up his mind whether he wants to take out certain extra benefits is far too short. The longer period of two months would not alter the actuarial soundness of the scheme. It could be a month in which there are public holidays. Many other factors come into it.

**Hon. Sir GORDON CHALK** (Lockyer—Treasurer) (2.19 p.m.): I think the inclusion of the period of one month was just a matter

of taking a figure. We considered the matter and thought that it would be ample time. In view of the points raised by the Leader of the Opposition, I am prepared to accept the amendment.

Amendment (Mr. Houston) agreed to.

Clause 24, as amended, agreed to.

Clauses 25 to 74, both inclusive, and Schedule I, as read, agreed to.

Schedule II—

**Mr. HOUSTON** (Bulimba—Leader of the Opposition) (2.21 p.m.): I move the following amendment—

“On page 49, lines 26 and 27, omit the words—

‘after the first day of October, 1972’  
and insert in lieu thereof the words—

‘before the first day of January, 1973.’”

At the second-reading stage I outlined why this requirement should be amended, so I will not go through it again in detail. Although many public servants perhaps should have known that changes were coming, it is still a fact that many of them would be in situations where they would not learn of the proposal. The Public Service is not confined to the city of Brisbane; its branches spread throughout the State. In addition, various public servants are on long service leave or are absent for other reasons, so it is possible that some members of the Public Service may not have been aware of the Government's intention. To make sure that nobody can claim that some people virtually had the inside running, as it were, and knew what was going on, and that everybody has an equal opportunity, we propose that the date should coincide with the commencement of this new measure.

The Treasurer indicated earlier that officers in this category were getting what he called “a concession”. It is not much of a concession if they have to pay for it. I have taken out some figures to illustrate my point. If a man of 30 years took out one unit, he would pay 26c a fortnight or \$6.76 a year, and for the 35-year period of his working career in the Public Service he would pay a total of \$236.60. A person who entered the Public Service at 50 years of age would pay \$1.12 per pay or \$29.12 a year. Over the period of 15 years of his career in the service he would pay \$436.80.

It is true that the superannuation fund would not have the second officer's contributions for as long a period for investment purposes, but I do not think anyone could honestly say that a person coming in at an older age is getting something for nothing. Although we are seeking to extend the period during which such persons can take out extra units, they would not be taking them up at the same rate as would have applied if they had joined the scheme many years ago. They would pay the much higher rate applicable to their ages.

**Hon. Sir GORDON CHALK** (Lockyer—Treasurer) (2.25 p.m.): I cannot accept the amendment. The Leader of the Opposition used a racing term by saying he believed that public servants in the close areas had the inside running. If I might reply in similar vein, a person cannot back a horse after the race is run.

It is true that in the early stages there was some talk about proposed amendments to the scheme. The date 1 October was chosen because that was the date of presentation of the Budget. In other words, on that day we indicated what we proposed to do, so I think it is only fair and just that the entitlement be pegged to the date of the announcement. A similar principle applies in other fields affected by Budget proposals.

Amendment (Mr. Houston) negatived.

**Mr. HOUSTON** (Bulimba—Leader of the Opposition) (2.27 p.m.): I move the following further amendment—

“On page 49, line 44, omit the word—  
‘thirteen’

and insert in lieu thereof the word—  
‘ten’.”

This section of the schedule provides—

“A contributor whose hypothetical fortnightly contribution exceeds the sum equal to thirteen per centum of his or her fortnightly salary as at the first day of January, 1973 may, by application in writing to the Board prior to the first day of March, 1973, have the actual fortnightly contribution that he or she is paying as at the firstmentioned date in respect of the said units of benefit reduced by whichever is the lesser of,”

and so on. This section virtually means that there will be a reduction in the payments made by all contributors who fall within that category. As that is so, why must they have to ask for something to which they are entitled?

Again I say that many public servants will not be aware of the workings of the scheme, so surely it would be more honourable to provide that the contribution of any person in that category will be adjusted automatically. The administrators of the scheme are in a far better position than contributors to know entitlements under the scheme.

In effect, this clause says, “You are entitled to something, but you have to ask for it.” All that is required is a change in the administration of the scheme so that persons who are eligible are notified of their entitlements and are only required to fill in a form forwarded with the notification.

As to my proposal to alter “thirteen” to “ten”, I suggest that very few age-groups of public servants would be paying 13 per cent of their salary at the time of taking the full entitlement available to them. Only employees who came into the Public Service very late in life and those who receive quite

substantial incomes would be affected. The number to be covered by this provision would be very small.

Ever since the superannuation reached its present stage, the union has been of opinion that older members are paying so much of their salaries into the fund that they are virtually required to live at a much lower standard than should be possible with their gross incomes. The Treasurer argued that it is not actuarially sound to do other than what has been done, but I cannot reconcile his stand with the facts. If the scheme is actuarially sound now, something must have been very wrong with the actuarial assessment over the years, or the investments and contributions must have yielded far in excess of what was anticipated. During the luncheon recess I found that in 1960-61 the balance in the fund was \$17,000,000. As I said earlier today, the balance now stands at \$62,800,000. It has almost quadrupled in the short period of ten years. An increase in reserves from \$17,000,000 to \$62,000,000 in 10 years is not a bad achievement for any organisation.

This clause would be applicable virtually for only the next five years. Its coverage would become smaller and smaller as the older members who have been paying high contributions under the existing scheme reached retiring age. Present contributors who are 55 years of age will be able to come straight into the new scheme for anything extra they want. They will not have to surmount the great problems faced by contributors between 60 and 65 years of age who, in anticipation of retirement, tried to make provision for a respectable retirement allowance.

With my remarks at this stage, plus my contribution at the second-reading stage, I leave the amendment with the Treasurer in the hope that he will give it favourable consideration.

**Hon. Sir GORDON CHALK** (Lockyer—Treasurer) (2.33 p.m.): I point out to the Leader of the Opposition that it is the intention of those responsible for administering the scheme to inform every contributor of the changes that have taken place. Those who have an entitlement will then be able to make application. There can be no fear that contributors will not be aware of the amendments being made to the Act.

Figures were taken out for contributors who are paying more than 13 per cent of their salary. On referring this matter to my advisers, who are presently in the lobby, I was informed that there are a little over 1,000 in this category. The Government's offer is unprecedented and it will mean a direct contribution from Government sources. It is generous and is made in an honest endeavour to help people in this bracket.

As to the suggestion that we should reduce the figure to 10 per cent, I point out that we looked at a number of percentages to try to get a fair line of demarcation. Candidly, to come down to 10 per cent would place a further heavy drain on the State's resources. For this reason we settled on 13 per cent. It is twice the rate of 6½ per cent mentioned in the Bill. We decided that 13 per cent was a fair cut-off point. The State's over-all contribution will be from \$3,000,000 to \$4,000,000, but we have no qualms about providing that amount. The Bill is a distinct improvement on the existing scheme. Over all it reduces the contributions and, on the other hand, increases the benefits. On that basis, I cannot accept the amendment.

Amendment (Mr. Houston) negatived.

Schedule II, as read, agreed to.

Bill reported, with amendments.

#### LOCAL BODIES' LOANS GUARANTEE ACT AMENDMENT BILL

##### SECOND READING

**Hon. Sir GORDON CHALK** (Lockyer—Treasurer) (2.37 p.m.): I move—

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

I appreciate the manner in which honourable members received the Bill which, after all, is more or less a machinery measure and requires very little further elaboration. As I pointed out in my introductory remarks, it had been assumed that the word "Trust" in the definition of "Local Body" denoted not only a body such as, for instance, a river improvement trust, but also a body of trustees. However, legal advice is to the contrary, and the amendment is designed to remove any doubt as to the legality of providing a Government guarantee for borrowings by trustees of land granted in trust for public purposes.

The amendment therefore provides that such trustees are included in the definition of "Local Body", and that existing Government guarantees in respect of borrowings by them are validated.

Accordingly, I commend the motion to the House.

**Mr. TUCKER** (Townsville West) (2.39 p.m.): The Opposition has examined the Bill which, as the Treasurer pointed out, is simply a machinery measure. On checking the Act, it seemed to me, as a layman, that trusts and trustees were covered adequately, but cognisance must be taken of the advice given by our legal advisers. If they say that the position is not covered, there is a need to tighten the legislation.

The Treasurer said that the Government has guaranteed public money involved in local bodies' loans. The Treasurer must ensure that everything is done properly and that the Government will not lose in this regard. Therefore, we must remove any

doubt as to the validity of this Government guarantee. There could be more instances in the future, because trusts of this type do need to be assisted, sometimes by a Government guarantee, in regard to Crown land of which they are trustees.

On behalf of the Opposition, I indicate that we have no argument with the Bill. We think it is right and proper that this machinery measure should go through the House.

Motion (Sir Gordon Chalk) agreed to.

##### COMMITTEE

(The Chairman of Committees, Mr. Lickiss, Mt. Coot-tha, in the chair)

Clauses 1 and 2, as read, agreed to.

Bill reported, without amendment.

#### SUCCESSION AND PROBATE DUTIES ACT AMENDMENT BILL

##### SECOND READING

**Hon. Sir GORDON CHALK** (Lockyer—Treasurer) (2.42 p.m.): I move—

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

As I explained at the introductory stage, the measure contains only concessional variations—raising the basic exemption level for a spouse or child under 21 years and widening the rebate provisions; increasing the super-annuation exemptions and overcoming an anomaly in their application; and extending the exemption in respect of children to cover stepchildren and children brought up as members of the family without formal adoption.

There was not a great deal of criticism at the introductory stage, but one or two points require some comment. Firstly, the Deputy Leader of the Opposition suggested some alternatives to succession duty, namely, a capital-gains tax, or a plea to the Commonwealth Government for substitute revenue.

As to the suggested capital-gains tax, while it may seem more acceptable at first glance to pay taxes every year during a lifetime than to have a larger amount taken upon death, I wonder whether people would, on the whole, prefer such an alternative. It would involve annual form-filling and inquiries from the taxation collectors and, from the Government's point of view, it would add greatly to administrative costs, the burden of which would, of course, ultimately fall upon the taxpayer.

Instead of paying annual taxes, a person can quite easily, if he so chooses, put away annual amounts in a form which can be used to meet death duties, and the thinking person does in fact look ahead in this manner. For the person who does make proper provision for payment of death duties, it should therefore make little difference whether he pays an annual tax or a single larger payment upon death.

**Mr. W. D. Hewitt:** He gets a taxation concession if he does it through life assurance.

**Sir GORDON CHALK:** That is true.

As to the honourable member's second suggestion of an approach to the Commonwealth Government for substitute finance, all I can say at this stage is that it will be interesting to see, following events at the weekend, what the reaction from his Federal colleagues will be when the States look for additional financial assistance from the Commonwealth.

**Mr. Tucker:** I do not like the attitude adopted by the Premier. Yours is better, I will admit.

**Sir GORDON CHALK:** I do not intend to become involved in that question. My attitude is that I will go to Canberra and put forward what I believe to be arguments that are in the interests of this State. I hope that the Prime Minister and the Federal Government will look at those arguments fairly and that Queensland will get what it justly deserves.

If the Deputy Leader of the Opposition can convince his Federal colleagues that they should give the States sufficient additional finance to enable them to abolish death duties, I would be the last to object to that solution. However, until we can see an alternative source of funds which can be collected less painfully to the community in general, it is obvious that the tax must remain in existence.

The Deputy Leader of the Opposition also suggested that the increase in the exemption was no more than the amount necessary to offset the effects of inflation. However, when one looks at the movement in the Consumer Price Index over the period since the last increase in the exemption, it is seen that prices in general have increased only 19 per cent compared with the increase of 33½ per cent in the exemption level. Costs of building dwellings have increased by about 20 per cent over the same period. It is true that in most of the closely settled areas there have been substantial increases in land values over recent years; but a large part of this increase is attributable to land previously in rural and semi-rural areas coming into demand for residential subdivision, and land previously in ordinary suburban areas becoming subject to demand for multi-unit residential and business development.

When the increase in the exemption is considered in conjunction with the very substantial widening of the range over which rebates operate, I believe that the concessions represent a real improvement for the taxpayer. The fact that collections from the tax are expected to increase by \$1,000,000 this year is an indication not that the concession is not being lifted sufficiently to offset the effects of inflation, but that Queenslanders are becoming wealthier as

the State's prosperity increases. This is particularly noticeable in the per-capita level of savings bank deposits, which have increased by 14 per cent over the last 12 months. In making such comparisons, it must also be taken into account that concessions granted now do not have a great effect on the current year's revenue because of the time taken for estates to be lodged with the Stamp Duties Office, the assessments issued, and the duty paid.

The increase in the superannuation exemption is a higher percentage than the increase in the basic exemption of \$15,000 to \$20,000, and relates to a shorter period since the previous figure was set. I therefore found it difficult to follow the suggestion of the Deputy Leader of the Opposition that the increase in the superannuation exemption is not sufficient to match the increase in the general exemption.

The honourable member for Kurilpa raised the question as to whether nephews and nieces could be considered on a like-with-like basis with stepchildren and be able to benefit from the Bill. The situation is that, where a nephew or niece has been brought up by the person whose estate is being assessed as a member of that person's family, the nephew or niece will be entitled to be treated as a child of the deceased. In all other cases, a nephew or niece is entitled to a rate which is concessional, but not as concessional as the rate applicable to children of the deceased.

Other comments were made concerning succession and probate duties that were not directly related to the Bill, including a very impassioned plea from the honourable member for Warrego for the complete abolition of death duties. All I can say in regard to these matters is that the Government will continue to liberalise exemptions as the financial opportunity arises, in full realisation that no tax is popular and that death duties are probably amongst the most disliked of all of the present State taxes.

I commend the Bill to honourable members.

**Mr. TUCKER** (Townsville West) (2.50 p.m.): At the introductory stage I put forward certain submissions to which the Treasurer has replied this afternoon. I do not intend to reiterate what I said at the earlier stage, but I still believe that the exemption of \$3,500 in respect of superannuation is unreal. Even if the Treasurer cannot understand that, I am adhering to my point that the amount should be increased. I hope it will not be very long before he is able to grasp the point and in fact increases the concession.

Without doubt the concessions granted are needed because of inflation, the increases in land prices and the increase in the prices of all commodities. Generally speaking, the exemptions have to be increased every year. Year after year, additional concessions are granted in respect of death duties and other

parallel duties to keep pace with the continued inflation that has haunted this State and nation in recent years. Other than suggesting that they should be greater, I have no argument about the concessions that have been granted. Total exemption from \$15,000 to \$20,000, cutting out completely at \$100,000, is much better in principle than the position that applied previously.

The Treasurer has referred to the recognition of the stepchild. This is a humane approach that the Opposition is very pleased to see. Perhaps I should commend the Treasurer on the fact that he has included that provision.

My final point deals with the retrospective operation of certain provisions. I hope the Treasurer can explain this to us now so that I will not have to raise the matter again in the Committee stage. The Opposition cannot see the reason for retrospectivity to 2 December 1969. The Treasurer did not mention retrospectivity at the introductory stage, nor do I think he mentioned it today. I should be obliged if he could give us the reason for the last clause of the Bill when he replies. There must be some good reason for it.

Apart from those observations, we have no argument with the Bill. The increased exemptions are necessary and, as we all know, the Government promised them in its election campaign.

**Mr. HARTWIG** (Callide) (2.54 p.m.): There are many good features to the Bill, but it does not go far enough. I speak as a primary producer and a landholder. I have frequently witnessed the disintegration of a lifetime accumulation of property and wealth owing to this very unjust, outdated, monstrous thing called succession and probate duty. Both Commonwealth and State Governments levy this duty, each State having its own approach to the administration and collection of money from the grave. We all know that many long-drawn-out legal battles are waged by solicitors whilst assets are frozen upon a person's death, and in many instances we see sales of land and stock by the wife and family of the deceased.

Let us have a look at some of the circumstances. A young man selects, purchases or inherits a block of land. He sets about the task of providing a home for his wife and family. As one would expect, his assets increase considerably over the years. He and his wife do battle with the elements and raise a family. In most instances the wife and children assist—particularly the children when they are old enough—in building and improving the property. They do this not only to provide an asset for the State but, also to ensure a way of life for themselves. And so, they look to the future.

Suddenly, without warning there is an accident or an illness, and the father is taken. Unless he has been an astute businessman and has provided in his will for his

estate to be handled in the proper manner, his family could have the fruits of all those years of labour taken from them and, as a result, might face long-drawn-out legal battles extending over years, and even a family break-up. I have personally witnessed this sort of thing.

I feel that today \$100,000 as the limit for exemption is not sufficient to cover an improved property. I remind the House that the property left behind does not die; it is still an asset and the family and the income from it are still taxable. Yet the surviving widow and family have to pay succession and probate duties to both the Commonwealth and the State. I maintain that death duties must be phased out.

The Treasurer spoke of a capital-gains tax, but what we do not hear in many instances is that, irrespective of what business a man is in, during his working life he may never draw one cent in salary. He is not a burden on the community. On the contrary, he builds assets for the State and the nation. Yet, on the passing of one of the partners—either the husband or the wife—a heavy burden is placed upon the other partner and the rest of the family.

The Commonwealth has an almost insignificant interest in this revenue compared with the total taxes it collects. It receives from this source about \$86,000,000, compared with a total income from taxation in 1971–72 of \$7,824 million. The Commonwealth should, and must, vacate this field, but, that still leaves the States to collect death duties. It could be argued that the States should forgo these duties and leave the Commonwealth as the sole taxing authority. In 1969–70 the six States collected by way of death duties some \$137,000,000 out of a total State taxation revenue of \$872,000,000—in effect, just on 15 per cent of their gross income.

I believe that death duties should be abolished in both State and Federal spheres. It is an unwarranted imposition, particularly on the primary producer. It has outlived its usefulness, and today it harms the Australian community as a whole.

Many years ago social justice may have decreed that the wealthy should pay death duties, but then the majority of the population was earning a mere pittance of \$500 or \$600 a year. Today, conditions have changed. Labour, which once was cheap, is now very costly. All types of enterprise have had to mechanise and consequently have a lot of capital invested in machinery, cars, headers, bulldozers, etc.—all items that cost much money to buy and maintain. Farming, grazing and mining ventures are classic examples. The continual increase in already high rates of income tax on low profits seriously affects normal methods of acquiring increased working capital. Any excess income is taxed heavily.

All businessmen, particularly primary producers, find difficulty in retaining sufficient after-tax income to satisfy the need for



increased working capital. In other words, the primary producer is not left with sufficient money to introduce a capital expenditure that he needs to incur. Few landholders or what I might term average business people can meet this demand and at the same time provide for death duties. Some people take out huge life assurance policies to provide for their retirement, but the value of the benefits that accrue from these policies is added to the estate. In many instances the dependants of a deceased are forced to borrow money at high interest rates to pay death duties.

Delays in obtaining assessment for duty hold up the administration of estates in some instances for as long as from six to nine months. The difference in value of an asset as at the date of death and the date of realisation is often very great. If the value of the estate is greater than that shown on the return, an additional assessment is made. However, if it is less, no reduction is given.

In times of fluctuating prices or drought, primary producers face tremendous problems. The different approaches adopted by the State and the Commonwealth to the value of assets result in lengthy delays. I urge an extension of the interest-free period for payment of duty to 18 months after death.

**Dr. Crawford:** Interest now starts after six months.

**Mr. HARTWIG:** That is right. Whilst the Bill provides some measure of assistance, it does not greatly lighten the burden imposed on estates valued in excess of \$100,000. Everybody knows that these days an estate does not need to be very big to have a value in excess of that sum.

Finally, I join with those speakers who have advocated the eventual abolition of this unjust monstrosity, succession and probate duty.

**Mr. MULLER (Fassifern) (3.4 p.m.):** I am bitterly disappointed with the Bill, but I feel that the Treasurer and his officers are torn between two loyalties, one to the provision of assistance to people who suffer from this iniquitous tax; the other to the collection of the \$20,000,000 that it is envisaged the State will obtain by way of these duties during this financial year.

I claim there is very little merit in the proposed amendments, because calculations by professional assessors reveal that no assistance has been granted to deserving cases. If we take a property on which people today can earn a living—a property valued at what is not a really high figure—we see that death-duty assessments now are precisely the same as they were in 1968 before the initial amendment. In my mind, that is indicative of an attempt to perpetrate a confidence trick, and it disturbs me.

In 1968, when the Government amended the Act to help those who were very concerned about this form of taxation, a certain property valued at a given figure was

rated at \$37,640 for estate duty. The Federal duty was assessed at the same figure, but the assessments remain the same in 1972.

On analysing the contents of this measure, I find that there is to be no change in the rate. However, the over-all assessments will total \$20,000,000, whereas in 1968 they amounted to approximately £14,000,000. In such circumstances there is no reason why we should fool ourselves by suggesting that a concession has been granted to anybody in this field.

The honourable member for Callide made special reference a few moments ago to primary producers. I support his submission, and in the interests of all people urge that this tax should be abolished across the board.

The Treasurer said that an estate valued at up to \$20,000 will be exempt from duty. This is an excellent move, but taking into account inflationary trends and the type of home in which some people are living—I refer specifically also to the localities in which they live—an exemption of \$20,000 is insufficient. I visualise that beneficiaries receiving such a home and land could well be called upon to raise considerable funds to pay succession and probate duties. If we are concerned with the welfare of people, we are under an obligation to reconsider very seriously the exemption rate.

I know that the Treasurer has a responsibility to raise finance to maintain the well-being of the people and promote the State. I am aware of some of his difficulties and I appreciate his concern, but I believe we must take immediate steps to try to overcome death duty anomalies. If we were to suggest to people that they might accept some other form of taxation in lieu of succession and probate duties, and then ask them to nominate the form it should take, we would never get a decision.

Since I have been in this Assembly there has been no indication that we should appeal to the public to make such a decision. Governments decide what is necessary in the interests of the people—Governments make the decisions. I have no desire to recommend an increase in the income-tax rate; any such decision remains with the Commonwealth Government.

If there must be an alternative way of raising this amount of finance to promote and develop this great State of ours, I suggest in all sincerity that we should accept an increase in income tax. It is not as difficult to pay a certain percentage—even a high percentage—of income at a time when that finance is available. Under those circumstances, it would be possible for people to find the amount of money required by the Treasurer. This applies particularly to people who are engaged in industry, including working-class people, and their wives. Considering city land values, it is nothing out of the ordinary for a person to own a home valued at \$20,000. I repeat that the exemption should be raised.

**Mr. Davis:** How high do you think it should be?

**Mr. MULLER:** I do not know. At the moment, \$20,000,000 flows into the Treasury coffers annually from this source. That represents less than 2 per cent of the State's revenue, so that the problem might be overcome if we accept an increase of 2 per cent in taxation. These are matters for the experts to work out. I am not fully conversant with all the details. The percentage would depend on the earnings of everyone in a given year. This matter must be looked into seriously. I think I have, to a reasonable degree, covered the position as it relates to city dwellers.

As I represent a primary-producing locality, I must refer to the problems confronting country people. As soon as the time for the payment of this tax becomes imminent, all assets are frozen. It could take three years, five years, or even longer, before any transaction can be entered into so that an enterprise can continue to function in a normal, rational manner. This is one of the difficulties.

Owing to the inflationary trend, it is becoming more obvious by the hour that people who are engaged in primary industry, particularly the grazing industry, need to have an asset valued at approximately \$200,000 to enjoy a reasonable level of return. I have often said that a primary producer who today nets 5 per cent of his invested capital is classified as a good manager. Because of the environment in which primary producers live, it is essential that they earn that much. Opposition members might disagree with me on this point, but primary producers pay enormous costs which do not flow on to the people who live in developed areas. Judging from the comments passed by Opposition members, they are not completely aware of the true situation.

As I was saying, as soon as the time for the payment of this tax becomes imminent, many people are in trouble. Although they may have an asset, they have no ready cash. What happens?

**Mr. Jensen:** They go to the bank.

**Mr. MULLER:** They go to a bank, but today banks are tied to a policy under which they insist on eight per cent interest and repayment of the loan in five years. To a person who is netting five per cent, the repayment of 20 per cent is quite ridiculous. It is then necessary to consider what else can be done, and to exploit all possible avenues. Invariably the land is retained, and the only course left is to dispose of the livestock on the property. That is difficult and very frustrating, but it just has to be done.

Let us examine the result of this situation. The moment livestock are sold, the proceeds are subject to income taxation. This is a forced sale, and all the cattle are sold in one

financial year. Those who have been associated with business in any shape or form know very well what can happen when a person is obliged to sell a commodity at other than the appropriate time for its sale. All the livestock go up for sale. Let us say that 600 cattle are sold or even 1,000—although I am not so much concerned with the man who has such a large number of stock. At a very conservative estimate, on present market trends store cattle today would realise between \$100 and \$150 a head. When that sum is multiplied by the number of cattle, a figure of almost \$100,000 results. From the Taxation Commissioner's point of view, that sum has been earned in one year, and the amount of taxation assessed on that basis will be far beyond the producer's financial capacity to pay it.

Having accepted that frustration, he is still confronted with the initial problem of succession duty. How can that situation be overcome? I say, in support of others on this side of the House, that this is the most iniquitous form of taxation that has ever been introduced into a democratic Parliament. Sixty or 70 years ago, when land values were much lower than they are now, land did not represent the percentage of a person's lifetime savings that it now does.

I return for a moment to the sale of cattle. Profits are assessed on the difference between the tax value and the sale value of the stock. That is obvious, but I mention it for a special reason. Very many people are unaware of the low tax value of livestock as decreed by the Taxation Commissioner. Cattle are given a tax value of approximately \$4 a head, and, if they are sold at the highly inflated figures of today, a very high percentage of the return is raked off in tax. This is one of the primary producer's major difficulties. To say that he can sell his livestock, retain the property and continue to operate is about as foolish as saying that Myers, or any other large store in Brisbane, could dispense with its stock, cash in its assets, keep the windows polished and stay in business. Such a suggestion is quite ridiculous.

That is the position in which many people find themselves as a result of this type of taxation. There are many things that can be said about it, and I have frequently made my views reasonably well known to honourable members. After virtually winding up a property, those who are left with the residue may find after a number of years that they have salvaged the situation. Then another member of the family dies, and the whole process starts again.

For these reasons, I say with all the force at my command that this form of taxation is not worth a crumplet and the amendments in the Bill now before the House are not worth the paper they are written on. I am very disappointed that the Treasurer has submitted a Bill of this nature, and has offered the pretence that it has merit and is in the interests of the people of Queensland.

**Mr. CORY** (Warwick) (3.21 p.m.): Let me say at the outset that I support the Bill because I believe its provisions are worth while and certainly play a small part in achieving the purpose that I have in mind. However, I also support a number of the comments made by other honourable members on this side of the Chamber about succession and probate duties. I shall not reiterate them, but I do wish to make a few of my own that fall into the general pattern.

What concerns me most about this type of taxation is that it is a tax on ownership, not on earning ability. Although it is in the same category as a capital-gains tax, it is purely and simply a tax on ownership. In my opinion, a tax on capital should be based on earning capacity, not on the capital itself at any particular time, and any tax on capital values is terribly dangerous to continued development in a country such as this.

The most serious aspects of it—and I am referring to capital tax on either primary or secondary industry—is that it leads to the erosion of capital required for development, and that is particularly important at a time when this country is looking for capital, not only internal but also external, to assist in the development of its economy. I believe that we should foster and endeavour to retain the capital we have in this country before we begin looking for overseas capital.

The capital lost through succession and probate duties is no mean sum. The honourable member for Fassifern has mentioned already the over-all amount collected in death duties by the Queensland and Federal Governments. However, one must also consider the effect of fragmentation of capital. As a unit, it may be useful for development; if it is fragmented, it becomes useless for any major developmental project. I believe that the tax, by fragmenting capital, leads to forced sales in both primary and secondary industries. This means that established enterprises are closed and, therefore, no longer contribute to the future development of the country. That situation can be overcome only by obtaining new capital to get the enterprise operating once again, and that, of course, takes a considerable time. Even if the capital is obtained from outside the State, I believe that the Government loses the use of the capital involved for about 20 years.

Because of inflation the capital value of the estates increase, and the greater the capital value, the higher the tax. If the exemptions were not increased, even very small estates would be taxed. That is probably one of the main purposes of the Bill. It will help to overcome the effect of the inflationary trend and so keep succession and probate duties at least in perspective, even if the situation over all is not improved.

Capital invested in rural industry has a very small earning capacity. We appreciate what the Treasurer did last year when he

introduced a 50 per cent rebate of the assessment on rural estates up to \$120,000. That was done because it was recognised that the earning capacity of capital invested in rural industry would probably be only 25 to 30 per cent of the return from investment in most other types of enterprise. The very principle of taxing a person's ownership of land rather than its earning capacity is a very dangerous one.

The honourable member for Fassifern mentioned the problem with stock. In most cases the forced sale of stock attracts taxation on the difference between the sale price and their book value. That is the Taxation Department's method of assessment, but it makes the return from the sale of the stock valueless after taxation is paid. A person finishes up not only losing the value of the stock in taxation, but also losing the stock, too.

**Mr. Hughes** interjected.

**Mr. CORY:** I do not think the honourable member understands the situation. There is not an exemption up to \$120,000; there is a rebate of assessment on an estate up to \$120,000. I have no objection to what the honourable member is suggesting. My point is that the earning capacity of capital invested in the rural industry is so low that certain privileges can be justified.

The suggestion has been made that provision should be made for succession and probate duties during a person's working life. That sounds a reasonable suggestion, but let us consider the problems that arise. When a person is young enough to start making the necessary provision, he is not in a financial position to do so. When people are young enough to take out insurance policies that would be adequate to cover succession and probate duties, they do not know what provision they should make, because they cannot predict what capital assets they will have in later life. By the time they know what provision needs to be made, they are too old to make it. It is not as simple as it sounds.

When there is a bereavement in the family and there has to be fragmentation of an estate, there is not only disturbance within the family itself but also a change of business and possibly a way of life.

I support the Bill, but, as well, I have these other thoughts about the problems caused by this tax on capital.

**Mr. WHARTON** (Burnett) (3.30 p.m.): I support the Bill if for no other reason than that it shows the Government is honouring its election promise.

In spite of all the arguments I have put up on behalf of primary producers, I do not seem to be able to get the message across that primary producers are at a disadvantage compared with other sections of the community. Considering the benefits and disadvantages of this legislation, I say to the Treasurer through you, Mr. Speaker, that we would be better off by abolishing these duties

altogether. That is the argument I wish to advance today—an argument for the complete abolition of estate duties.

I go along with the Bill because it is the result of a pre-election promise. We went along with this policy and today we are limited by what was promised in the policy speech. However, with the inflation that has occurred even since that promise was made, the limit is certainly too low. Since the election, values in many areas have increased considerably. In my own area alone, the Valuer-General's valuations have doubled.

After listening to what the Treasurer had to say in introducing the Bill, I realise that he has a problem in finding \$20,000,000 from some other source. He said that he could not waive revenue of \$20,000,000 because he had to go to the Grants Commission and in those circumstances would not fare too well. Even since he spoke last week, a change has occurred in that an A.L.P. Government has been elected to the Federal Parliament, so he now has more than \$20,000,000 to find. In the near future he has to find money to pay for four weeks' annual leave for public servants, a 35-hour week and many other things. Whether the Treasurer likes it or not, he has to find extra money for these things.

I have a suggestion to make as to where he can find the \$20,000,000 to replace this revenue. In this State there are almost 2,000,000 people and a poll tax of \$10 a head would return \$20,000,000 to the State. I maintain that this method would be far easier than the legal difficulties of administering estate duty. I appeal to the Treasurer to look at my suggestion and, if he can do so, obtain the \$20,000,000 from somewhere else and so relieve us of this tax. It would make us all happier, and it would be better for the State and for him.

**Dr. CRAWFORD** (Wavell) (3.34 p.m.): I am sure that all honourable members are interested in this subject because, eventually, it will affect every one of us. And I assume that there would not be one person sitting in this Chamber at the moment who has not, at some time, been affected when a mother, father or other relative has died. Also, irrespective of the size of an estate, whenever two or more members of a family die within a short space of time, the family funds are dissipated very substantially.

Comparatively speaking, the sum of \$20,000,000 to which the Treasurer referred is a low one. In comparison with a Gross National Product of \$33,000 million, so is the over-all Australian figure of \$190,000,000 for these duties. I believe that, instead of imposing probate duties, the Federal and State Governments can find other ways of raising that revenue.

One aspect that disturbs me more than any other is that the average male dies between the age of 45 and 65. Because his widow has not received any business training,

she is left unprotected and unable to fend for herself. Statistics show that the large preponderance of persons who remain alive until their 70's are women. They are forced to fend for themselves in a situation that is hard enough without the added burden of finding even moderate amounts to meet these taxes.

Under our law an assessor has power to ask a widow, for example, "Where is the receipt for that piano, which you bought in 1923? Did you or your husband buy it?" Can any honourable member imagine a law as iniquitous as that? Quite recently an assessor told a friend of mine, "We know this is a dirty Act."

It is important that the major aspects of this legislation be abolished completely. Even if the entire Act is not repealed, surely it can be so reframed that an assessment of household goods can be made according to a statistical average. It does not matter whether a piano, say, was purchased in 1923 or 1972; the fact remains that an actuarial assessment can be made of the goods in the average household. The persecution and prosecution of widows should cease immediately.

Country Party members have spoken a great deal about land values; I wish to deal with share values. If an estate contains shares, they are valued as at the date of death. If a deceased's estate contains property in other States, an individual assessment must be made in each of those States. All this adds up to delays in the winding-up of estates. The assessment of estate shares as at the date of deceased's death would not be so bad if the estate were wound up within a few weeks; however, in estates that drag on for as long as three years, their value as at the date of death may bear no relationship to the value as at the date of issue of probate.

After a period of six months from the date of death, interest, at an appreciable rate, is charged on the value of the estate as assessed by the office. Because the widow's funds are frozen, she has no chance whatever of raising the money to pay that charge, nor has she any way of querying the estate duty and interest at that time. If interest could be waived till the estate was finalised, or the estate could be finalised quickly, many of these inequities could be avoided. In a community such as ours, they should not have to be tolerated. As the subject is of universal interest, we should make ourselves aware of the facts and try to correct the anomalies.

If a person has a country property worth \$200,000 and earns \$10,000 a year net, duty on his estate when he dies is of the order of \$70,000, and almost inevitably the property has to be sold. If a city man has an estate worth \$65,000 and earns \$10,000 a year, the duty is only \$5,000. That is very pleasing for people living in the city, but it highlights the gross anomalies that must be corrected.

I make a plea to the Treasury Department to investigate these matters in the greatest possible depth. There are other types of taxes that can be introduced, for instance, growth and capital-gains taxes. They may be obnoxious to some of us, but it is much more humane to tax a person while he is alive than to persecute his widow and family after he dies. If he can cope with the situation in his lifetime, it is much fairer to all concerned.

**Hon Sir GORDON CHALK** (Lockyer—Treasurer) (3.42 p.m.), in reply: I think my reply can be fairly brief. It is true that all the arguments advanced on this side of the House have been put to me on many occasions. It is equally true that during the six years that I have been State Treasurer, I have recommended to Cabinet and the Government parties certain concessions and reductions in these duties.

I was rather puzzled to hear the argument put forward that this measure represented the Treasurer's views. After all, it is the Government's considered opinion that this is the extent to which we can go. I was a little concerned when the honourable member for Fassifern referred to the Bill as a confidence trick. It is no confidence trick; it is legislation designed to give a benefit to some people. The amount of duty received by the State will not fall greatly but, equally so, if the legislation had not been introduced people would pay more and the State would receive a greater sum as a result. At least we have been trying to stay with the times.

The Deputy Leader of the Opposition asked why a provision was made retrospective. I refer him to my introductory speech, in which I said—

"It has been drawn to the Government's attention that, under the existing exemption provisions, superannuation benefits are exempted where they are payable under the provisions of the relevant scheme to a particular beneficiary, but the exemptions do not operate where the benefits are payable to the estate of the deceased and are subject to distribution in terms of his will or under the rules of intestacy. It was previously intended that the exemption should apply in respect of the latter as well as the former circumstances, and the amending Bill will provide for this. As some estates have been affected in a manner contrary to the original intention when the principle of exempting superannuation benefits came into existence on 2 December 1969, this particular provision will be made retrospective to that date."

That is the basis for the provision.

On the arguments put forward by other honourable members, I believe that the Government has a responsibility to examine succession and probate duties, and it will continue to do so. It is not a matter of my Treasury officers making proposals. I believe that it is the responsibility of the

Government to consider the suggestions advanced by those honourable members who have spoken. My responsibility is to have this sum of \$20,000,000 available for expenditure within the State. If I do not have this \$20,000,000, or if I have to cut it by \$10,000,000, in preparing my Budget next year I will have to be cheese-paring in some direction.

I shall take cognisance of what has been said today. Up to the present, I have looked in every direction in an effort to give greater relief in this field. Unless there is a windfall from the Commonwealth Government, or people are prepared to accept some other form of taxation, I can see no alternative. I point out that, with any new form of taxation, it is often a case of taking from Mickey and giving to Mike.

Motion (Sir Gordon Chalk) agreed to.

#### COMMITTEE

(The Chairman of Committees, Mr. Lickiss, Mt. Coot-tha, in the chair)

Clauses 1 to 5, both inclusive, as read, agreed to.

Bill reported, without amendment.

#### RACING AND BETTING ACT AMENDMENT BILL

##### SECOND READING

**Hon. Sir GORDON CHALK** (Lockyer—Treasurer) (3.48 p.m.): I move—

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

At the introductory stage of this Bill, honourable members took the opportunity of expressing their views in some detail regarding racing and betting and associated matters, and in my reply I endeavoured to answer as fully as possible the various points raised. I feel sure that, after their study of the Bill, honourable members will agree that it sets out to achieve the four objectives I outlined when introducing the measure. Briefly stated, these were: Authority for the provision of an additional night for trotting; the conducting of a postponed night-trotting meeting on a Tuesday night; the exclusion of trials from certain restrictions presently in the Act; and the transference of a night-trotting or night-coursing licence from one licensee to another.

There is nothing useful that I can add at this stage to the information I have already given to honourable members.

**Mr. TUCKER** (Townsville West) (3.49 p.m.): The Opposition made its contribution to this Bill at the introductory stage. It has since studied the Bill in detail and finds nothing that conflicts with its policy on racing, particularly night trotting and greyhound racing. The Opposition is in agreement with the removal of certain legal impediments, and the move for the better control and operation of night trotting and

night greyhound racing applies in that regard. An additional week night—Monday night—is to be granted for night trotting. Inevitably two names crop up when there is any talk about an additional week night for trotting—the Gold Coast and Redcliffe. It appears that the Redcliffe club is not entirely committed to racing on Monday nights. Perhaps the Treasurer will be able to give the House some information on that position.

**Sir Gordon Chalk:** It is still under discussion.

**Mr. TUCKER:** As a matter of economics, I do not think that both these clubs will be able to race on Wednesday nights. It seems inevitable that the Redcliffe club, whether it likes it or not, will have to accept Monday nights.

**Mr. Frawley:** Redcliffe won't accept Monday.

**Mr. TUCKER:** I do not want to force a particular night down anybody's neck. That is a matter for the clubs. Without endeavouring to put the case for the Treasurer, I may say it is obvious that these clubs will be competing for all available patrons. They will have to ensure that, for economic reasons, they do not race on the same night, because they will not have satisfactory attendances. I do not know whether there is any thought of taking Wednesday nights from the Gold Coast club and making it take Monday nights. In that event, the same problems would still arise.

**Mr. Frawley:** Let them share the nights.

**Mr. TUCKER:** That is a matter for the clubs. It is a problem that I can see cropping up. The more I think about this matter, the more I feel that there will be problems arising in the course of the next week if someone cannot get the clubs together and iron out these difficulties. I hope they can be resolved because it is obvious that clubs have to receive sufficient income to amortise their costs, and the costs of establishing night-trotting facilities are indeed heavy. I do not want to see any trotting club going broke. I do not want to see a club going downhill for want of attendances. That would not be good for racing in general, and the Gold Coast and Redcliffe clubs in particular.

The matter of postponed meetings was also raised. Such meetings can now be held on Tuesday nights. I do not think there will be very many postponed meetings, because Albion Park is a track that can take a fair amount of rain. It seems that racing can be conducted there under reasonable conditions at almost any time. There may, however, be other meetings held on Monday nights that will have to be postponed to Tuesday. The Opposition has no argument with the holding of postponed meetings on Tuesday nights. With regard to the conduct of horse and greyhound trials, these trials are to be carried out under the auspices of

the controlling body. Again the Opposition raises no arguments here. We feel that the bodies controlling night trotting, galloping, and greyhound racing have shown themselves to be responsible, and we believe that trials will be conducted satisfactorily. I have only one point to raise in this matter. Does this mean that trials can be conducted away from racecourses?

**Sir Gordon Chalk:** If it is a track approved by the board.

**Mr. TUCKER:** Thank you very much.

**Sir Gordon Chalk:** There is a proposal to set up a dog track for training, but we will not license it until it has the approval of the board.

**Mr. TUCKER:** That does not seem to have been specifically spelt out.

**Sir Gordon Chalk:** That is the intention.

**Mr. TUCKER:** If that is the intention, it is satisfactory. I wanted to receive that assurance, because the position is not made clear in the Bill.

**Sir Gordon Chalk:** It does not mean that any Tom, Dick or Harry can set up a track for trials.

**Mr. TUCKER:** I do not think that would be desirable. If a track has to receive the imprimatur of the controlling body and the Minister in charge, we feel that this will be satisfactory.

The last point to which I wish to refer is the transfer of club licences. I take it that there will not be a need to call tenders on every occasion?

**Sir Gordon Chalk:** The provision is there for a specific purpose. If a club that is conducting its own affairs wants to change its name or corporation, for example, it does not have to go through all the usual processes again.

**Mr. TUCKER:** That is a reasonable approach. The various trotting clubs have established themselves, and we can see no argument against what is proposed.

All in all, the Opposition feels that the Bill makes a contribution to racing, and it has our commendation.

**Hon. Sir GORDON CHALK** (Lockyer—Treasurer) (3.55 p.m.), in reply: I appreciate the views expressed by the Deputy Leader of the Opposition. The only purpose of the Bill is to enable clubs that are either functioning or being formed to conduct their activities in what I would describe as a manner in keeping with the sport in general.

The honourable gentleman also touched briefly on the problem associated with the Southport and Redcliffe clubs. I believe that this problem can be ironed out; I do not think there is any real animosity between these two clubs. The Gold Coast Trotting

Club has been holding meetings on Wednesday nights since it found that it was more profitable to do that than to hold them on Saturday nights and compete against Albion Park.

Both the board and I have made it quite clear to the Gold Coast Trotting Club that when it was granted the right to hold meetings on Wednesday nights, it was expected to share Wednesday nights with the Redcliffe club when it came into the field. Whether it will be on a six-monthly basis or on alternate Wednesday nights has still to be decided, and whether the clubs wish to use Monday nights or Saturday nights is a matter for them to discuss with the board.

Generally speaking, I believe that the Bill has the approbation of all associated with the sport, and I again commend it to the House.

Motion (Sir Gordon Chalk) agreed to.

#### COMMITTEE

(The Chairman of Committees, Mr. Lickiss,  
Mt. Coot-tha, in the chair)

Clauses 1 to 7, both inclusive, as read,  
agreed to.

Bill reported, without amendment.

The House adjourned at 3.58 p.m.