Queensland

Parliamentary Debates
[Hansard]

Legislative Assembly

WEDNESDAY, 27 MARCH 1985

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

ASSENT TO BILLS

Assent to the following Bills reported by Mr Speaker—

Mount Isa Mines Limited Agreement Bill;

Land Act Amendment Bill;

Consumer Affairs Act Amendment Bill;

Industrial Conciliation and Arbitration Act Amendment Bill;

Intellectually Handicapped Citizens Bill;

Electricity Authorities Industrial Causes Bill;

Commonwealth and State Housing Agreement Bill.

PAPERS

The following papers were laid on the table—

Orders in Council under—

Metropolitan Transit Authority Act 1976-1979 and the Statutory Bodies Financial Arrangements Act 1982-1984

Explosives Act 1952-1981

Petroleum Act 1923-1983

Grammar School Act 1975-1984 and the Statutory Bodies Financial Arrangements Act 1982-1984

Rural Training Schools Act of 1965 and the Statutory Bodies Financial Arrangements Act 1982-1984

Jury Act 1929-1982

Regulations under the Mines Regulations Act 1964-1983.

MINISTERIAL STATEMENTS

Federal Paper, "Preferred National Land Rights Model"

Hon. Sir JOH BJELKE-PETERSEN (Barambah—Premier and Treasurer) (11.5 a.m.), by leave: Because of the seriousness of the matter, I draw the attention of the House to the fact that the Federal Aboriginal Affairs Minister (the Honourable Clyde Holding) has issued a paper entitled "Preferred National Land Rights Model". The Federal Minister indicated that consultation was under way with State and Territorial Governments as well as with Aboriginal, mining, rural and other interested groups on the contents of the supposed model.

I wish to draw the attention of the House to the paper because of the significant disruptions that will arise if the model is proceeded with in its present form. It appears that Mr Holding and his colleagues in the ALP cannot grasp the fact that the people of Queensland want equal rights—not land rights.

A detailed examination of the model indicates that the Federal Minister has not retreated from his original unacceptable propositions and therefore that the latest proposal must be resisted in the strongest possible way. The Federal paper contains many objectionable proposals which would have a divisive impact on the Australian community and its way of life.

Land areas established under Federal legislation, and possibly Aboriginal reserves also, could, under the new proposals, become enclaves within the State. Virtual statehood could be given to such areas. This would undermine the historic responsibilities of both the State Government and local government. What we are confronted with is another Federal move into the areas of State responsibilities. It is certain that Canberra will make another hash of it, just as it has done in other areas in which the duplication of State functions has wasted tax-payers' money.

Mr Holding's latest paper pretends to advance alterations and modifications to his previous extreme proposals; but, in reality, they are so vague and broad as to include and really enhance his earlier principles. The Federal Government would appear to be persisting with the self-contradictory concept of inalienable freehold, in its attempt to achieve a form of land tenure for Aborigines which cannot be alienated under a commercial arrangement. Under existing laws, a freehold estate is one of fee simple, disposable in any manner determined by the holder, who is the absolute owner. For the Commonwealth to qualify this right of absolute freedom of disposal is indisputably both an erosion of the freehold right and a contradiction in terms.

By contrast, the Queensland Government's decision to issue deeds of grant in trust for the State's Aboriginal and Islander communities provides a form of tenure which guarantees security and local control while at the same time drawing on existing provisions of State land tenure laws that are available to any person or group regardless of racial or ethnic background. The Queensland approach is fundamental to the Government policy to dissolve any social, economic or legal barriers separating Aborigines from the mainstream of Queensland society.

The Federal proposals will erode existing mining legislation to the extent that the present efficient system will be rendered inoperative.

The Commonwealth proposals have significant social costs attached to them. They will create separatist, elitist and isolationist Aboriginal enclaves in the eyes of Australians, while providing a land tenure system previously denied to other Australians. Aborigines may well be exempt from future wealth taxes, assets taxes, death duties, and land tax.

The Federal model is certainly over-complicated and inefficient. It is a recipe for confusion and increased costs in the mining areas. It will open the door to further land claims by Aborigines—a fact that will disturb the pastoral industry.

There is much that is defective in these latest proposals from Canberra's centralists. In summary, I would highlight the following—

Federal legislation will be designed to automatically override State legislation where this is not in complete accord with Commonwealth legislation.

The Holding proposals foreshadow the negation of future State legislation.

They implicitly make clear the intention to enforce consistency with Commonwealth law on an unilateral basis.

The right of private ownership is ignored.

Mr Holding has not defined his concept of "inalienable freehold title", or the related concept of "alienable title", thus revealing a critical area of future conflict.

His proposals provide for an unprecedented and unfettered degree of claim to Crown land by Aborigines to an extent previously denied all other sections of the Australian community.

The proposals will allow Aborigines to lay claim to the land bank normally held by State Governments for future public use. Of concern is the Federal failure to define "vacant Crown Land"

Under the proposals, the excision of land from pastoral properties on the basis of occupancy will be completely disruptive to the economic well-being of the pastoral

enterprise. Indeed, the concept of allowing access to such properties by claimants is unreasonable and could be deemed to be an invasion of privacy, in direct contrast to the restrictions of access to Aboriginal land proposed under the legislation.

The special law of trespass applicable exclusively to Aboriginal land is a complete departure from the law that applies in this context to the wider Australian community, and can only be regarded as racially and socially divisive.

While the Holding legislation reduces Aboriginal power over mining to a degree, it leaves the door open for considerable doubt and uncertainty for new mining ventures. I expect strong reluctance on the part of the financial community to provide venture capital for new mining exploration and development should these proposals ever become law.

The Queensland Government believes that there is much wrong with the Commonwealth's newest proposals as contained in its "Preferred National Land Rights Model" and, as such, it is our duty to oppose these schemes in the interest of equal rights for all.

These proposals again underline the continuing purpose of the Commonwealth to intrude into State areas of responsibility and run everything from Canberra. The Queensland Government will oppose these proposals in the strongest possible way. If these proposals are ever implemented, I say that, when a National-Country Party Government is elected federally, the proposals will be completely abolished and done away with.

Error in Answer to Question; Gold Coast Entertainment and Arts Centre

Hon. W. A. M. GUNN (Somerset—Deputy Premier and Minister Assisting the Treasurer) (11.12 a.m.), by leave: I wish to inform the House that, in reply to a question asked by the honourable member for Surfers Paradise (Mr Borbidge) last Thursday about the Gold Coast Entertainment and Arts Centre, I inadvertently mentioned that Jennings Construction Limited had been involved in finalisation of tenders for the project.

I now advise the House that the name of the firm that was involved, and that submitted the lowest tender, was Thiess Watkins (Construction) Pty Ltd.

I trust that this statement will set the record straight. I regret any inconvenience caused to Jennings Construction Limited by this oversight.

Illegal Sunday Trading by Car Dealers

Hon. V. P. LESTER (Peak Downs—Minister for Employment and Industrial Affairs) (11.13 a.m.), by leave: The House will recall that, as from 1 November 1984, new and used car dealers were granted all-day Saturday trading for a trial period ending in May this year. However, moves for Sunday trading were disallowed.

I indicated in October last that the Government would show no leniency towards dealers opening illegally on Sundays and, despite constant inspections by my departmental officers, many dealers are still trading. One in particular—Matilda Car Company, Underwood—has breached the trading laws no fewer than 19 times since July last year and has incurred fines of about $6,000, with other offences still to be dealt with.

Yesterday, in the Industrial Commission, the Government supported a move by the Australian Automobile Dealers Association (AADA) for an injunction against Matilda Car Company to comply with the provisions of the trading-hours order. The commission found there was a clear case for an injunction but agreed to accept a written undertaking from Matilda Car Company that it would refrain from further after hours trading. Provided that the undertaking is lodged with the commission by Friday this week, the application for an injunction will be adjourned for six months. However, should a breach occur during that period, the matter would be relisted in the commission at short notice.

I would like to make it clear that the Government views very seriously blatant breaches of trading laws by motor vehicle dealers on Sundays, and will not hesitate to take the action that is necessary to wipe out the practice once and for all.

I take this opportunity to warn other dealers, already trading after hours or contemplating doing so, to think carefully before placing their businesses in jeopardy.

PETITIONS

The Clerk announced the receipt of the following petitions—

Air Pollution from Tannery, Scrub Road, Belmont

From Mr Mackenroth (262 signatories) praying that the Parliament of Queensland will take urgent action to rectify air pollution emanating from the tannery in Scrub Road, Belmont.

"Silver Plains" Pastoral Holding

From Mr Scott (1 470 signatories) praying that the Parliament of Queensland will cease present negotiations on the "Silver Plains" property and that the lease be offered to Australians only.

Toowong Railway Station Development

From Mr Shaw (55 signatories) praying that the Parliament of Queensland will ensure that the proposed development of Toowong Railway Station will not adversely affect residents of Taringa ward.

Boating Facilities and Fees, North Queensland

From Mr De Lacy (552 signatories) praying that the Parliament of Queensland will revoke the recent increase in boating facilities and registration fees in north Queensland until the present facilities match those in south Queensland.

Petitions received.

QUESTIONS UPON NOTICE

Questions submitted on notice were answered as follows—

1. Alcohol Abuse by Schoolchildren

Mr NEAL asked the Minister for Health—

(1) Is he aware of evidence to the Senate Standing Committee on Social Welfare that on a national basis as many as 10 per cent of schoolchildren between the ages of 12 and 17 years get very drunk at least once a month?

(2) What measures are being undertaken by his department to educate pupils against the dangers of alcohol abuse?

Answer—

(1) Yes.

(2) I am advised that the Department of Education provides alcohol education programs in schools. The development of those programs has been assisted by the Department of Health, which also provides community-based alcohol education programs.

2. Chairman of Totalisator Administration Board

Mr BURNS asked the Minister for Local Government, Main Roads and Racing—

(1) Did Sir Edward Lyons, when he was chairman of the TAB, a position of considerable trust and public importance, try to get the TAB to buy a building in which he had a direct pecuniary interest?

(2) Was this building known as Katies building in Fortitude Valley?

(3) Did Sir Edward Lyons represent the building to the TAB for the excessive sum of $700,000?

(4) Was Katies building passed in at auction on 27 March 1984 for $485,000?

(5) Did the TAB at its meeting on 14 January in an extraordinary manoeuvre force the alteration of minutes of the board meeting of 10 December 1984 to ensure that Lyons's moves to force an urgent purchase of Katies building through that meeting would be clearly spelt out?

(6) Is he aware that members of the TAB felt that what Lyons was doing was criminal in its intent?

(7) Did Sir Edward Lyons give the board a deadline of only a few hours in which to make its decision and when it rejected his pressure, did he fly into a rage attacking the board's decision?

(8) Do at least seven members of the board want Sir Edward Lyons dismissed?

(9) Did members of the board feel that if the deal had gone through it would have compromised the board and by implication their own good standing as board members?

(10) Is he aware that minutes of the TAB meeting of 10 December 1984 were doctored at the instigation of Sir Edward Lyons so that he would not be appraised of the facts?

Answer—

(1 to 5) I will table an extract from the minutes of meetings of the Totalisator Administration Board held on 10 December 1984 and 14 January 1985 dealing with this particular matter, signed as a correct record by Sir Edward Lyons.

(6 to 10) I have no knowledge of the matters raised in these questions.

Whereupon the honourable gentleman laid on the table the documents referred to.

3. Federal Land Rights Legislation

Mr LINGARD asked the Minister for Northern Development and Aboriginal and Island Affairs—

Has he examined the Federal Labor Government's Aboriginal land rights legislation and, if so, how will it interact with Queensland's community services and deeds of grant in trust legislation?

Answer—

There is a profound and fundamental difference between the proposed land rights model as proposed by the ALP Federal Government and what was outlined by the Honourable the Premier and Treasurer earlier this morning. If there is no private ownership, and that is not allowed for in the Federal land rights legislation, and if there are simply no mortgage documents, none of the Aboriginal communities will be able to borrow money. If they cannot borrow money, they simply cannot achieve any economic growth whatever, and the Aboriginal people will remain in the Stone Age, as they are in the Northern Territory at present.

The second aspect in which the Federal Government's legislation varies dramatically from Queensland's is that of mining royalties and controls. Before I come to that, I should say that the Federal Government has an open-ended policy that any person of Aboriginal descent can claim any area, which means that areas already held by Aboriginal people or groups in Queensland are liable to be taken over by other Aboriginal groups. That will cause enormous problems and create tremendous insecurities on all reserve areas in this State.

The final and, in many respects, a more serious aspect is that 165 applications for licences have been lodged in the Northern Territory, but not one has been agreed to by the two land councils in the Northern Territory. So not one of those mining applications

has been taken up. In the past four years, 390 authorities to prospect have been applied for in the Northern Territory, but not one has been issued in that half of the Northern Territory which is owned and controlled by the Aboriginal land councils. Those people are deprived of any form of income or employment now and in the future.

The areas in the Northern Territory cannot shrink, but a section of the royalties that are flowing in is allocated for the repurchase of additional land. At present, Aborigines own 48 per cent of the Northern Territory. That area can never shrink and, because of the nature of the Act, it must continuously expand. Presumably, at some future date, it will expand beyond the perimeters of the Northern Territory.

The most galling feature for the people of Queensland is that, if this legislation were to be imposed in Queensland, 7.5 million acres of Queensland would be inaccessible to Queenslanders, with the exception of those people of a certain racial origin. That is apartheid of exactly the same form as that existing in South Africa. The Federal Government is presently advocating that policy.

I emphasise that no economic development is taking place and that it cannot take place without private ownership because the mining companies will no longer enter the areas. Finally, the rest of the people of Australia will be completely excluded from those areas, which are no longer a part of the State or nation.

4. Summons against Minister for Mines and Energy

Mr VAUGHAN asked the Deputy Premier and Minister Assisting the Treasurer—

With reference to the summons taken out by the Commissioner of Stamp Duties against the Minister for Mines and Energy, (Hon. I. J. Gibbs), on 30 October 1984 for non-payment of stamp duty amounting to $396 plus late payment of $39—

(1) Why were costs of plaint and summons, service and travelling costs and other costs amounting to $45.80 payable by Mr Gibbs deleted?

(2) Why did the Deputy Premier or officers in his department intervene in the matter and request that any action be suspended?

(3) Was the summons never served on the Minister for Mines and Energy, allegedly because he could not be located?

Answer—

(1 to 3) The simple facts concerning this matter are—

Stamp duty and penalty amounting to $435 due and payable by Ivan James Gibbs have been fully paid.

No summons relating to the outstanding duty was served on Ivan James Gibbs.

It is not normal practice to pursue costs of plaint and summons when the duty has been paid.

I totally reject the implication that pressure was brought to bear either by me or my officers in some improper manner. The recovery of stamp duty in this instance was processed in exactly the same way as applies to any person with whom the Stamp Duties Office deals.

5. Re-employment of South East Queensland Electricity Board Employees

Mr VAUGHAN asked the Minister for Mines and Energy—

With reference to the advertisement on page 9 of "The Courier-Mail" of 22 February in which the Government set out proposals regarding a resumption of work in the SEQEB area—

(1) How many power station operators have to date become staff employees and entered into a no-strike agreement?

(2) How many SEQEB employees dismissed on 11 February have (a) been offered re-employment, (b) applied for re-employment, (c) entered into a no-strike contract with

a 38-hour week and 10-day fortnight, (d) signed a statutory declaration relating to being forced to go out on strike, who forced them, evidence of harassment and by whom and (e) been re-employed?

Answer—

(1) Nil.

(2) (a) 152.

(b) 244.

(c) 152.

(d) 73 employees who originally were unable to return to work owing to either illness or threatened or actual harassment have now resumed.

(e) 152.

6. Compensation to Small Businesses Affected by Open Trading Hours, Gold Coast

Mr WHITE asked the Minister for Industry, Small Business and Technology—

With reference to the growing concern over open trading hours being expressed by small businesses on the Gold Coast about financial losses that will be incurred and the prediction made by retail trade leaders that some small businesses could fail—

(1) Will businesses suffering financial losses be eligible for compensation as a result of the Government decision to open up trading hours?

(2) If not, will small businesses be eligible to apply for reconstruction-type loans as the Government recently offered to small business during the electricity crisis?

Answer—

(1 & 2) No. However, it must be clearly understood that the trial period for extended trading hours will last for six months. Many theories will be put to the test in that time, and the effectiveness of extended trading hours will be determined. It should be borne in mind that the Government has the power to conclude the trial at any time and would do so if it became evident that a number of small businesses were suffering hardship.

7. Real Estate Agents

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

With reference to the policy of the REIQ of introducing a course of instruction in real estate before a person can be registered as an agent—

(1) Is he aware that a totally inexperienced real estate salesman can advise people in a transaction that very often is the most significant financial decision of their lives?

(2) In light of the considerable concern expressed by professional people in the real estate industry, will he reconsider the Government attitude to the REIQ policy?

(3) If not, will the Government give consideration to an alternative scheme so that people purchasing a home are given some protection rather than being advised in some cases, for example, by people such as deckhands who take up a real estate career?

Answer—

(1 to 3) I would be most surprised if a real estate agent were to employ a totally inexperienced salesman and fail to provide appropriate instruction before allowing the salesman to make contact with the public.

The Government has already indicated support for courses being conducted by the REIQ and, of course, in areas such as technical and further education.

I am presently finalising amendments to the Auctioneers and Agents Act to be introduced to the House at an early opportunity. These will have relevance to the honourable member's question.

QUESTIONS WITHOUT NOTICE

Trading Hours

Mr WARBURTON: In asking a question of the Premier and Treasurer, I refer him to his comments as published in an election brochure for the National Party Senator Ron Boswell, distributed prior to the Federal election held last December, which reads, in part—

> "The National Party regulated trading hours to ensure small business operators were not bankrupted and to enable them to have a normal family life."

The brochure depicts the Premier's photograph and also includes this statement by him—

> "As Premier I personally intervened on the side of small business in the dispute over regulated trading hours. The open slather approach advocated by other political parties would have sent many small business operators to the wall."

I now ask: Firstly, in the light of the statements attributed to him in that brochure, why does he now support such an open-slather approach to trading hours? Secondly, because he identified the personal and economic havoc that deregulated trading hours would have on small business, will he abandon the legislation now in train to allow the Government to force open-slather trading hours onto small businesses anywhere in Queensland?

Sir JOH BJELKE-PETERSEN: I never cease to be amazed at the Opposition. It is the tenth wonder of the world. The Leader of the Opposition has come out on behalf of small business——

Mr Warburton interjected.

Mr SPEAKER: Order! The Leader of the Opposition has asked his question and he will listen to the answer.

Sir JOH BJELKE-PETERSEN: Just a few weeks ago, he spent endless hours, days and weeks trying to destroy small businesses. He has destroyed 500 of them. He backed the unions to destroy 500 small businesses. He put thousands and thousands of men out of work. Now, hyprocritically, he comes here and sticks up for small business. How clever he is at doing political somersaults!

The Leader of the Opposition knows very well that these trading hours are being introduced on a trial basis for the tourist industry. If he has not learnt that yet, I give up hope for him.

Capital Works Program

Mr WARBURTON: In directing a question to the Deputy Premier and Minister Assisting the Treasurer, I refer to last year's Budget, which he has described as being about capital works and employment. He also claimed that the $600m Special Major Capital Works Program was over and above what the Government would normally be doing. I ask: Will he explain to this House why this year's total co-ordinated plan of works as prepared by the Co-ordinator-General is $122m below last year's approved program, which represents a decline of 4 per cent in real terms?

Mr GUNN: Time and time again, the position has been explained to the Leader of the Opposition. He does not seem to be able to absorb the fact that the Government has not completed its Capital Works Program by any means. At this point of time, only a little over $100m of the $600m has been approved. It is a 2½-year program. The normal Capital Works Program provided in the Budget will go ahead as usual. It is presently in the hands of the Minister for Works and Housing.

All that I can say to the Leader of the Opposition is that the program has been very effective. He is the one who is knocking the economy on every occasion that he

can; yet in today's "Courier-Mail" we read that retail sales in Queensland are up 15 per cent, which is the highest increase in Australia. I would like the Leader of the Opposition to explain that, not here but in the press. Our works program is on target and it will be completed on target.

Taxation Policy of Australian Labor Party

Mr NEAL: I ask the Premier and Treasurer: Has his attention been drawn to an article in last Sunday's "Sunday Sun", wherein the Leader of the Opposition would not be drawn on the pros and cons of various taxes and was quoted as saying that in the lead-up to the tax summit such comment would be counter-productive?

In view of the many new taxes suggested by the left wing of the Australian Labor Party, such as capital gains tax and wealth tax, and the proposed reintroduction of death duties, what are the views of the Premier and Treasurer on those matters? Is the reticence of the Leader of the Opposition to commit himself to any stand on those taxes an indication that he either supports them or is not game to come out against the left wing of the ALP?

Sir JOH BJELKE-PETERSEN: Naturally, everyone would be interested to hear the Leader of the Opposition come out and say that he is opposed to new taxes; but, of course, he will not do that. He is not prepared to do that, because the Australian Labor Party is a heavy-tax party. It has proved that again and again.

My Government is against all those taxes. We do not impose them, and we do not intend to impose them, in this State. We have given a lead to the rest of Australia. The introduction of those taxes would be entirely wrong and it would be non-productive in creating job opportunities. If the Labor Party keeps on hitting private enterprise, business and individuals with heavier and heavier taxes, it will create more and more unemployment.

Higher inflation will also result and the economy will be in an even more serious position than it is at the moment. I am against all of that.

The Federal Government's attitude towards the tax summit smacks of hypocrisy. What is it being paid for? The Federal Government is confused. It raised the possibility of reintroducing fees for university students, but it has backed down on that. The Federal Government is running round in circles; it is not sure in which direction it is heading. That is no way to lead this nation. Australia needs smaller government and lower taxes.

Retrenchment of MIM Holdings Limited Employees

Mr BURNS: In directing a question to the Premier and Treasurer, I remind him of his statement a moment ago that he believes in lower taxes and that higher taxes are putting people out of work. Mount Isa Mines has announced that it has retrenched 100 people in the last few days. I ask: Is the Premier aware that this company, which is Queensland's largest, has reduced its Queensland work-force by almost 1 300 since the beginning of last year? Is he also aware that the company's latest financial results indicate that it made a pre-tax loss of $46m for the first six months of the 1984-85 financial year and that, during that same period, it paid Governments, mainly the Queensland Government, $160m in taxes? What is the likely effect on potential interstate and overseas investors of this so-called free enterprise Government treating the largest company in the State so shabbily? Given the Premier's earlier answer, when will the Government revise its high rail freight policy and stop taxing away jobs in this State's mining industry?

Sir JOH BJELKE-PETERSEN: The honourable member for Lytton said that the Government treats Mount Isa Mines shabbily. That is not so. The Government has treated Mount Isa Mines very generously, and that has been acknowledged by the company on many occasions.

The other morning, the chairman of MIM Holdings Limited (Mr Bruce Watson) called me about the company's decision to dismiss a number of employees. Naturally,

he did not want to do it. Mr Watson outlined to me the problems caused by the low world prices of copper and coal. He acknowledged the very substantial help that the Government has given the company in subsidising its rail freight rates by $300m over three years. That is a good deal of money. The Government has also given the company breathing space on the escalation rate from the end of March. Whether the Government will do more for the company remains to be seen.

The problems faced by the company are tied up with high costs, which Opposition members continue to jack up and support, and by the overseas prices of the commodities that it produces. The Opposition should be putting the blame on those factors.

Alleged Breach by Sir Edward Lyons of Racing and Betting Act

Mr BURNS: In directing a question to the Minister for Justice and Attorney-General, I refer to the minutes of the Totalisator Administration Board of 10 December and 14 January, which were tabled this morning by the Minister for Racing, and I ask: As the Minister and his department are responsible for the fair and impartial administration of laws passed by the Parliament, will he direct his officers to investigate those minutes to ascertain whether Sir Edward Lyons was or is in breach of section 181 of the Racing and Betting Act?

Mr HARPER: Yes.

Sugar Industry

Mr ROW: In directing a question to the Minister for Primary Industries, I refer to a recent incursion into my electorate by a group described by newspapers as "top Liberals". Articles have appeared in newspapers that attribute to Senator Warwick Parer and the honourable member for Nundah (Sir William Knox) the statement that "the message of the plight of the sugar industry has not got through to the State or Federal Parliaments". I ask: Will the Minister explain to the House the Queensland Government's awareness of the problems in the sugar industry and what measures have been taken and will be taken by the Government to assist the industry? What representations have been made to him by Government members about those problems?

Mr TURNER: The honourable member has displayed much interest in and has much knowledge of the sugar industry in north Queensland. His question affords me the opportunity to dispel some of the misstatements, criticism and downright untruths that have been perpetrated by some sections of the sugar industry, by the Opposition in this Parliament and by the Federal Government. It also gives me the opportunity to explain my actions and the attitude of the Queensland Government towards the sugar industry over a long period.

I have answered similar questions in this House on numerous occasions and I have made a number of press releases. However, for reasons known only to themselves, the print media have not always seen fit to publish the Government's viewpoint. Some time ago, the member for Hinchinbrook (Mr Row) invited me to visit north Queensland to take a first-hand look at the problems in that area. I accepted his invitation. I spent two days with the honourable member in Tully and Ingham and talked to mill representatives, growers and to shire councils. I appreciated that invitation. I saw many of the problems and came away with a greater knowledge of them.

I have also visited a number of other sugar areas in the State from Rocky Point through Bundaberg, Sarina, Mackay, Proserpine, Innisfail, Mourilyan to Cairns. On an occasion some 12 months ago, I took the opportunity to visit the Ord River to look at the potential for sugar-cane growing in that region and its effect on the Queensland sugar industry.

On behalf of the Government, I negotiated a most satisfactory domestic sugar agreement with the Commonwealth Government. I attended the International Sugar Agreement talks in Geneva, but Australia was not successful in getting a new International

Sugar Agreement. I was a representative there, as were Mr Kerin and a number of members of the sugar industry. Over a long period I have met with all sections of the sugar industry, including the Sugar Wives Action Group, the Fair Go Fighters and anyone else interested in the industry. Today, I have another meeting. Tomorrow morning, here at Parliament House, I will meet with sugar industry leaders. Tomorrow evening, I will meet with the Premier and Treasurer to formulate a plan of approach to Canberra for a meeting that will take place there on 1 April to seek assistance from the Federal Government for the sugar industry.

The question asked by the honourable member also gives me an opportunity to refute some to the allegations made by Mr Kerin in the last couple of days in relation to some mischievous and false statements pertaining to lending through the Rural Reconstruction Board.

I point out that, at the end of June 1984, total balances in the Rural Reconstruction Fund and Rural Adjustment Fund amounted to $31.1m. These funds consist of moneys held under various schemes to provide financial assistance to rural producers, repayments from borrowers to be repaid to the Commonwealth and State funds, and accumulated reserves to provide for losses associated with assistance made available from ongoing structural adjustment schemes.

The high-risk nature of the assistance means that the possibility of large losses occurring is significant, particularly if an industry suffers a prolonged economic downturn. It should be clearly understood that the Queensland Government is responsible for repayment to the Commonwealth, regardless of whether or not the Rural Reconstruction Board has been repaid by growers. The reserve funds in question have accumulated over some 14 years and have assisted the Rural Reconstruction Board in dealing with the crisis in the wool industry in the early 1970s, followed by beef industry adjustment problems of the mid '70s. Included in the balances at the end of June 1984 were an amount of about $5m awaiting draw-down by cane-growers whose applications for assistance had been approved in 1983-84 and a similar figure awaiting repayment to the Commonwealth in relation to assistance given to producers in all industries. As at 30 June 1984, the total debt due to the Commonwealth was $45m. The State must guarantee full repayment to the Commonwealth and must therefore bear all losses, including total losses, should these occur.

I wish to point out some of the assistance that the State Government has given to the sugar industry. It is worth repeating that, through the representations of the Premier, the State Government has achieved the payment of household support to those growers in difficulties. He also ensured that the growers did not have to sign a document indicating that they would walk off or sell their properties in order to receive that household assistance. That was a great achievement.

Since July 1982, the State provided from its own resources $20m in carry-on assistance, $10m to the co-operative sugar-mills, $175,000 towards the cost of the internal review and $800,000 towards the interest component to raise the first delivery advance from $160 to $180 per tonne. While I am speaking about interest rates, I should say that the Premier asked that the Part A funds in the recent allocation from the Commonwealth have the interest rate reduced from 8 per cent to 4 per cent. The Commonwealth declined. What hypocrisy!

I will tell the House of the assistance provided by the Commonwealth Government to other industries. In assistance to BHP, it will give a direct subsidy of $80m per year for the next five years. That is not a loan; that is a subsidy. The Federal Government is giving another $20m in special projects to steel towns. That is a total subsidy—not a loan—of $500m over the next five years to the steel industry. It will give a total subsidy—again not a loan—of $150m to the motor vehicle building industry.

Recently, honourable members have seen how much the Federal Government has assisted primary industries, particularly the dairy industry. On 1 April the Federal Government will have an opportunity to demonstrate its concern for the sugar industry

and to do something in real terms to provide assistance to that industry. It will be able to perform and not just make empty promises or talk about gabfest.

On numerous occasions I have made the point that each year the Federal Government drains in excess of $70m in excise duty out of the alcohol-related sector of the sugar industry. 1 April will be D-Day for the Federal Government, and everyone in the sugar industry will be able to see and acknowledge just what assistance the Federal Government is prepared to give to the sugar industry or any other primary industry. The Federal Government's interest at heart is not in primary industries; it is in the multitude and masses in Melbourne, Canberra and Sydney, where it gets its votes.

I thank the honourable member for his question. There is no doubt about what Queensland has done by way of providing assistance to the sugar industry and other primary industries. If the message does not get through, it is because either people do not bother to check up on what is happening or it is not being printed in the media. Queensland is certainly assisting the sugar indusry.

Unemployment

Mr FOURAS: In directing a question to the Premier and Treasurer, I refer to the fact that, since the economic summit, 360 000 new jobs have been created in Australia and, of that figure, Queensland's contribution was a miserable 27 000 jobs, or 7.5 per cent of the total, while it has 16.1 per cent of the nation's population. As the Premier and Treasurer has constantly dismissed the validity of recent employment indicators, which show Queensland doing worse than the rest of Australia, in favour of his crane index of production, I ask: Will he now admit that his crane index has been discredited and accept the harsh realities of Queensland's worsening employment situation? When can honourable members expect from the recently appointed unemployment task force the announcement of a constructive and positive program to deal with unemployment?

Does he agree with the rationale of Queensland's worsening unemployment statistics as was expressed by Senator Bjelke-Petersen in the Senate two days ago, when she said, "Queensland is a lovely place to be unemployed."?

Sir JOH BJELKE-PETERSEN: The honourable member forgot a very important point. He referred to about 360 000 jobs— I think in Queensland—that have been created temporarily under that scheme.

Mr Fouras: In Australia.

Sir JOH BJELKE-PETERSEN: Of course, he did not say how many jobs went out the back door. The Commonwealth talks about creating many new jobs. At the same time, the number of unemployed persons is escalating dramatically across Australia. That is a temporary bandaid treatment. What was the other part of the honourable member's question?

Mr Fouras: I asked: Do you agree with Senator Bjelke-Petersen, who said that Queensland is a lovely place to be unemployed?

Sir JOH BJELKE-PETERSEN: It is a better State in which to be unemployed; that is for sure.

Quest Mini-steel-mill

Mr FOURAS: In directing a question to the Minister for Industry, Small Business and Technology, I refer to the unenviable track record of Queensland's free enterprise National Party Government in for ever backing losers with Government funds. I cite, for example, the collapse of Suttons Foundry, which has cost Queensland tax-payers more than $5m; guarantees to Greenvale Nickel which have already resulted in a loss of $46m with prospects of total losses exceeding $90m; and the Evans Deakin share purchase fiasco, with losses of about $6m. I now ask: Will the Minister give an assurance

that his earnest attempts to resurrect the Quest mini-steel-mill will not result in similar losses of millions of dollars of Queensland tax-payers' funds?

Mr AHERN: The Australian Labor Party in Queensland recently launched a massive attack on the Queensland economy designed to talk down the Queensland economy and, if it is successful, it will result in the loss of many thousands of jobs of Queenslanders. That will be heavily counter-productive if it continues. It is as simple as that. There is absolutely no indicator on the books that would reveal by any objective assessment that the long-term growth prospects of the Queensland economy are not the best of any State in Australia. There is absolutely no doubt about that, as can be proven by independent commentators as well as by Government sources. The long-term prospects for growth in Queensland are better than those in any other State.

I turn now to the specific matters referred to by the honourable member for South Brisbane. The Queensland Government has a proud program of assistance to manufacturing industry. When it tries to help people maintain and create employment opportunities, occasionally there will be losses. That has happened once or twice recently. However, the Government makes no apology for trying to create employment opportunities and for maintaining existing employment. That policy will continue.

At this very moment the Quest proposal is being considered by the Industries Assistance Board, to which the proposal must be referred before it may be considered by Cabinet. My officers worked over the week-end in an endeavour to deliver many hundreds of new jobs to the Queensland economy, yet, in the Parliament today, a spokesman for the Opposition tries to knock the project on the head. If it is successful, the proposal will have the support of the metal unions. It will deliver to the Queensland economy many hundreds of new jobs and a tremendous new capability in the manufacturing area and will import new technology from Britain. Many advantages will flow from it. However, the proposal must be considered by the Industries Assistance Board. Cabinet will consider the board's report in conjunction with advice from Treasury officers. Everything will be done to ensure that tax-payers' funds are not put at risk in any support given to the enterprise.

I warn the honourable member for South Brisbane that any attempt to close down Greenvale will not be popular in the Townsville area.

Mr Katter: Fifteen hundred jobs.

Mr AHERN: Many thousands of jobs are dependent on that industry. On many occasions the Government has actively sought employment opportunities and has sold the State as hard as it can. That salesmanship will continue. No apology is made for it.

Ban on Springbok Rugby Tour

Mr CAHILL: I ask the Premier and Treasurer: As tens of thousands of Rugby Union fans and sports-followers in general have been shocked by the Prime Minister's statement that he will block the Springbok Rugby side from visiting Australia for a world competition in 1987, will he consider investigating ways in which that sporting censorship may be lifted?

Sir JOH BJELKE-PETERSEN: The Prime Minister and those who have preceded him have adopted the same attitude. They have treated sport as a political football. There is no other justification. Because they know sport, particularly Rugby, is popular, they attempt to pressure South Africa in this way. At the same time, as I outlined this morning, the Federal Government is dramatically escalating discrimination against white people in Queensland. It is creating apartheid on a large scale and at an enormous rate. It has excluded large areas of the Northern Territory by placing "No white man beyond this area" on big signs all over the place.

Once again, the Prime Minister shows how hypocritical he is, trying to score points to the detriment of those in this country who wish to enjoy their sport.

Legal Costs of South East Queensland Electricity Board

Mr BAILEY: In directing a question to the Minister for Mines and Energy, I refer to the comment of the Leader of the Opposition earlier this week about the cost of legal fees associated with action taken by the South East Queensland Electricity Board in its fight against the unions during the electricity dispute. Can the Minister explain the facts to the House so that honourable members can get a true picture of what the action has cost the board and consumers?

Mr I. J. GIBBS: I would have preferred the Leader of the Opposition to ask me the question, as he has made some allegations about that expenditure. I can only presume that the Leader of the Opposition found out some more facts and got cold feet.

During the recent crisis, SEQEB paid $233,000 in legal fees for legal representation on three separate occasions. In the major action, SEQEB took six unions to the Supreme Court, and subsequently to the High Court. The ensuing court injunction brought to an end the power-rationing and the blackouts which were damaging the economy to the tune of approximately $1 billion. The $200,000 spent in legal fees was money well spent.

In the second action, the board took action against the Australian Postal and Telecommunications Union because that union held up mail which contained cheques and money that amounted to $11m in payment of electricity accounts. That involved the expenditure of $10,000. I point out that that expenditure was very well justified considering the interest which should have accrued but was lost on that amount of $11m, and which otherwise would have been invested and used for other purposes.

The third action was taken against the Australian Telecommunication Employees Association for its refusal to repair telephones at SEQEB operations headquarters. That action meant that, in emergencies, people were unable to make contact with SEQEB and were unable to get information. That legal action cost the board $23,000.

The real value to consumers is that it is most unlikely that the whole cost of those legal fees will be borne by SEQEB consumers. I want it recorded that, on Friday, 1 March 1985, notice of motion No. 12 of 1985 was filed in the High Court on behalf of the unions, claiming that the case for the injunction should be removed to the High Court on the basis of constitutional invalidity of the Industrial (Commercial Practices) Act and that that case was set down for hearing in Canberra on 6 March. Let me put the record straight: the High Court refused the unions' application and had the matter remitted to the Supreme Court of Queensland for further hearing. The unions were ordered to pay the board's costs of the proceedings. I am quite sure that the total amount that has been outlaid will not be paid by the consumer.

The real issue is that during the strike SEQEB suffered a gross loss of revenue of $5.6m per week, and a net loss of $4.2m per week. That is the real crunch in the whole affair, and the Government will be pursuing courses of action to ensure that those costs are recovered. The Government, on behalf of the consumers, will be making its best endeavours to recoup those costs in accordance with the High Court decision, and will pursue the issue to recover costs against the unions.

Government Support for Sporting Activities

Mr BAILEY: In directing a question to the Minister for Tourism, National Parks, Sport and The Arts, I refer to Lawrie Kavanagh's column in last Saturday's "Courier-Mail" under the heading, "Be a sport, Minister, and back our Games", and I ask: What is the Government's attitude towards such a comment, in view of the Government's indication that it is very interested in staging the next Australia Games in Brisbane?

Mr McKECHNIE: I thank the honourable member for the question. The whole matter blew up after I drew the attention of the public to the fact that the original Australia Games had been rushed and hurried in an attempt to help the Australian Labor Party win the Victorian elections. That was a great pity, because the television

coverage of the games, although of an excellent standard, did not attract very much public support from viewers. Staging the Australia Games has proven to be a very expensive exercise. The organisers are already discussing the need for double the amount of money previously provided.

Whether any State can afford to stage the Australia Games in the future will depend upon television coverage and television rights. That issue was fluffed by the Federal and Victorian Governments because of the rushed way in which the first games were staged. So despite the great efforts of the television technicians and everybody else involved in the coverage of the games, they did not attract much of a viewing audience. Therefore the quantum of television rights for any future games is at risk.

Lawrie Kavanagh would not accept that. He made sneering comments. He is prepared to criticise people, but he cannot take critcism. I have a copy of my reply to him, which he would not print. He has now made another sneering attack on my comments in an attempt to make out that I am not in favour of the Australia Games.

I am in favour of the Australia Games. The Government has expressed interest. An interdepartmental committee on which my department is represented is already working on a submission. The Australia Games are a great achievement for athletes. It is quite mischievous for Lawrie Kavanagh to sneer at the fact that I brought to the attention of the people of Queensland the financial difficulties that might arise, purely because of the rushed nature of the first Australia Games.

I point out to Lawrie Kavanagh that the eminent sportswoman Dawn Fraser mentioned in last Saturday's "Courier-Mail" that, if a young person becomes interested in and wants to play sport, he should do it in Queensland because of the excellent sports assistance plan promoted by this Government.

Mr Jennings: She said it was the best in Australia.

Mr McKECHNIE: Yes, she did say that it was the best in Australia.

I point out that Lawrie Kavanagh's own newspaper featured Miss Fraser's article on page 3 and Lawrie Kavanagh's article on page 95. That is an illustration of how well Lawrie Kavanagh is thought of by his own organisation.

I am happy to accept any valid criticism, but Mr Kavanagh should come clean and print my replies to his comments. If he does, he should do it in the context of the original sneering article in which he referred to young and old bulls and goodness knows what else. In my reply I mentioned that, because the Federal and Victorian Governments introduced politics into the Australia Games, they turned what could have been a great animal into a little steer.

Trinder Park-Kuraby Section, Beenleigh Railway Line

Mr D'ARCY: I ask the Minister for Transport: As it is estimated that the cost of Saturday's tragic rail accident at Woodridge will be in excess of $5m and as the estimated cost of a double track on the dangerous Trinder Park-Kuraby section would be less than $1m, will the Minister take immediate steps to upgrade that section of track to double-track standard?

Mr LANE: I am sorry that I cannot give the honourable member a guarantee to duplicate the track on the section between Woodridge and Kuraby. The cost would be something more than the $1m suggested by him. Naturally I have had an estimate made by my department of what that duplication would cost, and it is about $2.1m.

Mr Casey: Still less than half the cost of the accident.

Mr LANE: Never mind cheap politics; I am not interested in that. The honourable member should go and wave his placards elsewhere.

To continue—duplication from Woodridge to Beenleigh would cost another $8.5m, and to duplicate the whole of the Brisbane suburban system would cost a total of perhaps $60m.

In fact, single-track operation in railways in Australia, and, indeed, in many other parts of the world, is the rule rather than the exception. That is dictated by the amount of usage of a particular stretch of line. Already in Brisbane there is single-line working from Mitchelton to Ferny Grove, 5.6 km; Kuraby to Trinder Park, 3.6 km; Woodridge to Beenleigh 14.4 km, Sandgate to Shorncliffe, 1.5 km and Manly to Thorneside, 3.7 km. That makes a total of 28.8 km of single-line working, so it is obviously the rule rather than the exception. Of the 10 000 km of track in Queensland, 253 km is duplicated, and the rest remains single-track working. It is not peculiar to Queensland because, in the Sydney suburban system, there are three sections of single track totalling 38 km, and in Melbourne there are five sections of single track totalling 23 km. The track in Queensland is in line with that in other States and in many places throughout the world. That being so, I cannot give the honourable member the assurance he seeks.

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

MATTERS OF PUBLIC INTEREST

Queensland Economy

Mr WARBURTON (Sandgate—Leader of the Opposition) (12.1 p.m.): In my speech in reply to the Budget last October, I described the Queensland Budget as a fraud and a hoax, designed and presented as a public relations stunt. I argued in particular that the $600m Special Major Capital Works Program was not exceptional and above normal, as claimed by the Government, but was simply a rearrangement within the total program and was financed from usual Government sources.

Honourable members may recall my saying that the Special Major Capital Works Program would not involve additional expenditure. The Co-ordinator General's Schedule of Works—which, incidentally, has been released to the Opposition for the first time—provides conclusive proof that the Government's Budget claims about capital works were totally false and that I was absolutely correct in describing the Budget as a deception, a hoax and a public relations stunt.

On looking at the Co-ordinator General's plan of works, one finds that a reduction is taking place in the level of capital works spending this year rather than an increase, as was implied in the Budget, In fact, the total 1984-85 capital works program is less than that for last year, and it is also less than that for the 1982-83 year.

Before I dissect the capital works program, I will return to the speech that I made in the Budget debate last year and refer also to the claims made by the Premier and Treasurer. At the time, the Premier and Treasurer claims that the Budget was about capital works and employment and that its key feature was the implementation of a $600m Special Major Capital Works Program, which he said was over and above what the Government would normally be doing. The Premier and Treasurer then listed what were largely "essential-type projects", such as roadworks associated with the Gateway Bridge. The impression was created that the Government was allocating additional capital works funds and was giving a massive boost to capital works expenditure.

I proved conclusively—and the Deputy Premier and Minister Assisting the Treasurer did not challenge my assessment—that the capital works program was funded from numerous sources and that the $600m special program was to be financed in the same way as any other capital works, that is, through a combination of funds transferred from consolidated revenue and from borrowing. Even without any Budget details on the total capital works program, I concluded from the evidence that there was "no additional expenditure on capital works"

I called upon the Government to provide the details; but, at that time, it was said they could not be provided because they were not available. The facts are now available for all to see. They torpedo the claims made by the Premier and Treasurer in the Budget. Nothing is more serious than for a Government to deliberately be party to Budget deceit.

I will now look at the facts. The 1984-85 estimated total capital works program for Government departments and statutory and local bodies is $2890m. In constant 1984-85 values, that represents a real decline of $122m, or a drop of 4 per cent on last year's total capital works program.

It should be emphasised that the cost of the Special Major Capital Works Program of $600m and the electrification of coal-carrying railways—which, incidentally, has grown suddenly from $600m in the Budget to $800m in the Premier's economic statement of last week—is included in the total program as revealed by the Co-ordinator-General's plan or schedule of works. Even with the 1984-85 expenditure components of the Special Major Capital Works Program and the electrification of central Queensland coal lines, the capital works program this year is less that that for last year. If the projected expenditure for this year is compared with the original Budget estimate of capital works for last year, it is found that the real decline is even worse—8.5 per cent. As I said before, the capital works program is even less than it was not only one year ago, but also two years ago.

If one breaks down the total program into expenditure by Government departments and statutory and local bodies, one finds that neither the departmental expenditure nor the quango and local authority expenditure is keeping pace with inflation. Government department expenditure is budgeted to rise 4.9 per cent this year over the original estimate, but in real terms that represents a decline of 1.4 per cent.

Capital expenditure by statutory authorities and local bodies really collapses, with budgeted capital works declining by 7.4 per cent in nominal terms, which is a 13 per cent decline in real terms. As I said previously, the total capital works program of this Government is 4 per cent below last year's.

Another important question is why the total capital works program was underspent by $425m in 1983-84 and by $316m in 1982-83—a total underspending of $741m during the last two years. Again, that is shown in the Government's own schedule of works put out by the Co-ordinator-General.

Wet weather is not an adequate explanation for such massive underspending, especially since the 1981-82 program was overspent by $9m. That underspending requires a detailed explanation if suspicions of deliberate cutbacks by this National Party Government are not to be considered.

Given the Government's claim that this Budget would provide a tremendous boost to employment, let us look at the result. For the 12 months to February 1985, Queensland's employment level fell. Where are the additional 40 000 jobs that the Government said this capital works program would create? How can the Government claim that it is creating more jobs when capital works expenditure for this financial year, as shown in the Government's own schedule of works, is down on that for last year? Four thousand jobs have been lost and none has been created.

If we take a longer term view on employment in Queensland since the economic summit in April 1983, we find that 360 000 new jobs have been created in Australia and that Australia as a whole is well on the way to achieving the 500 000 new jobs promised in the first three years of the Labor Government. But Queensland's contribution to job creation has been abysmal, contributing only 27 000 of those jobs, or just 7.5 per cent. Queensland's population is 16.1 per cent of the total. Over the last 18 months to two years, Queensland's job creation has been appalling. I hope that the Government's task force on unemployment, which was born as a result of the Rockhampton by-election, comes up with something better than that.

It is interesting to compare the Budget papers on the Special Major Capital Works Program and the coal line electrification program and what was said about those programs in the Premier's economic statement of last week. In the Budget, it was couched in terms of a great boost to capital works and employment. In the economic statement, it is couched in terms of "soften the anticipated decline" in capital works and employment. There is a vast difference between what we were told when the Budget was introduced in 1984 and what the Premier and Treasurer is presently saying.

However, as I have shown, the Co-ordinated Plan of Works, the Government's own document, totally discredits the Budget's capital works claims. The so-called $600m Special Major Capital Works Program is nothing more than a few selected capital works dressed up and labelled "additional" and "special" The same holds for capital works associated with the electrification of the central Queensland coal line, which, by the way, according to the Premier and Treasurer, have jumped in cost by $216m in the space of a few months.

Mr LANE: I rise to a point of order. The Leader of the Opposition is misleading the House. The central Queensland coal lines electrification project is an additional program, and the funds for it will be borrowed off shore. Funding will not be allocated in the Budget.

Honourable Members interjected.

Mr DEPUTY SPEAKER (Mr Row): Order! Because of the time-limit that applies to speeches in this debate, I will not permit cross-fire in the Chamber. I ask the Leader of the Opposition to accept the Minister's explanation.

Mr WARBURTON: No, I do not. What I have said applies to the capital works that are associated with that electrification scheme.

It is now known that nothing is special about the two capital works programs. When the gross underspending of the approved program is considered, it can be seen that the position is even worse. Over the last two years, that amount totalled $741m. The Government should explain why that has happened.

The Budget Papers of this State are a joke, and the Government treats them as a joke. The last Queensland Budget was framed as a public relations stunt and the Capital Works Program is a hoax.

Time expired.

Public Service

Hon. D. F. LANE (Merthyr—Minister for Transport) (12.11 p.m.): I wish to draw the attention of honourable members to a revolution that is occuring within the Federal Government in respect of its relations with the Commonwealth Public Service, and to similar radical procedures occurring in Labor-governed Australian States.

This revolution, euphemistically called a reform by its chief initiator—the Australian Labor Party's John Dawkins, when he was Minister Assisting the Prime Minister—has far-reaching implications for all Australians, particularly public servants, for it threatens to destroy the traditional independence and impartiality of the public service itself.

As honourable members would be aware, the Australian Government, and the Government of the States, inherited from Britain the concept of a politically neutral public service serving the Government of the day, irrespective of its ideology. Fortunately, this neutrality still exists in Queensland, so that Queensland public servants are free to provide objective advice to Governments on vital issues affecting society, regardless of party political considerations.

Mr SCOTT: I rise to a point of order.

Mr LANE: However, the impartiality of the Commonwealth Public Service——

Mr DEPUTY SPEAKER: Order!

Mr LANE:—and that of those States now governed by the Australian Labor Party——

Mr DEPUTY SPEAKER: Order!

Mr LANE:—has been compromised by——

Mr DEPUTY SPEAKER: Order! I ask the honourable member for Cook to state his point of order.

Mr SCOTT: The Minister is wilfully misleading the House. The candidate in Cook, who is a very senior——

Mr DEPUTY SPEAKER: Order! No personal reflection has been cast, and I do not take the honourable member's point of order.

Mr LANE: However, the impartiality of the Commonwealth Public Service, and that of those States governed by the Australian Labor Party, has been compromised by the intervention of people such as John Dawkins and, latterly, Labor Senator Peter Walsh, who have overseen the implementation of the Federal Labor Government's public service senior executive policy.

The Federal Labor Government's decision to compromise the neutrality of its public service by appointing only those people sharing its socialist ideals will not only have lasting repercussions for Australian society as a whole but also will result in the necessity for all public servants to alter their perception of a public service career. No longer will a public servant be able to rely on his or her professionalism, experience and diligence to progress through the ranks to higher office, job security, and relative financial reward. Under the revolutionary system introduced by Labor, public servants will have to choose, at a very early age, where their political allegiances lie, and their promotional opportunities will be subjected to their being overtly politically aligned with the incumbent party.

Were this politicisation of the public service not bad enough, the Federal Labor Government has gone even further in what seems to have become the fashionable Labor sport of public-servant bashing. Western Australia's Labor Premier Brian Burke started it when he sliced 10 per cent off his public servants' wages.

Departmental heads no longer have permanency in Mr Hawke's public service. That change is a radical departure from tradition. Before the revolution, security of tenure for public servants meant that they could give Ministers information and advice, based on knowledge gained after many years of experience, without fear of repercussions should it not be consistent with the Minister's perceived opinions or his party's policies.

Now the position of departmental head is reviewed every five years by the chairman of the Public Service Board, who would be committed to the party in power and, consequently, responsive to its wishes. Even within their five-year tenure, departmental heads may be transferred or left unattached for what the Government may deem to be unsatisfactory performance.

Surely under these conditions it would be a brave public servant who would carry bad news to the emperor, be it sound advice or not, and he may well lose his head. This raises serious doubts about the objectivity of any future information passed from public servants to elected members of Parliament.

Honourable members should agree that all responsible Governments need to have the benefit of unbiased advice if they are to serve the public effectively. Individual Ministers have the right, and the obligation, to accept or reject that advice, and their decisions are judged regularly by a discerning electorate.

It should not be the responsibility of the public servant to make subjective decisions or offer advice based on political ideology, yet this is undoubtedly occurring in the Federal public service, because not only has the Australian Labor Party introduced conditional tenure into its senior executive ranks, but also it has ruled that senior executives may be appointed from outside the public service.

I draw to Parliament's attention figures quoted in the 5 February edition of "The Bulletin", which records that by September last year the Federal Labor Government had made 120 appointments to senior public service positions. Of them, more than 80 were trade union officials, with all the obvious political allegiances that that implies, and 17 were former Labor politicians or party presidents. The current chairman of the Public Service Board itself is none other than Peter Wilenski, an influential member of former Labor Prime Minister Gough Whitlam's staff. It was for that reason that he was appointed. Surely such a system of selection is not only unfair to the Australian people, who expect a democratically elected Government to use all the impartial expertise available to it, but also is unfair to the much maligned public servants themselves.

Under the Labor system, public servants' career aspirations are trifled with, their professionalism is ignored, and their integrity is derided. It is a callous and immoral way to treat Australians who, according to published statistics, number one in every three employees in this country's work-force. Bureaucracies have been described by the eminent German socialist, Max Weber, as the epitome of rational, legal authority, and he emphasises that promotions and appointments based on irrelevant criteria such as political loyalties can result in less competent officials and a subsequent decline in efficiency and effectiveness.

As a Queensland Government Minister, I have come to respect, and to a large extent rely upon, the unbiased advice and information given to me by senior public servants. The decisions that I make are made confidently because I know that the advice I am given is objective, untainted by the desire—or worse—the need, to be ideologically in tune with my party's political policies. Just yesterday, in "The Courier-Mail", Dr Kenneth Wiltshire, the associate professor in Queensland University's government department, said that the public service "must provide all Government services equitably without favouring any person or group." Such a statement prompts one to inquire how Commonwealth public servants, forced to operate and plan their lifetime careers under a system reliant upon political patronage, can avoid favouring any person or group. In the case of the Australian Labor Party, with its multitude of drifting factions, political opportunists and union bosses all vying for power, to which of these groups is the confused young, ambitious public servant to offer his or her loyalty?

Those honourable members who have worked with the Queensland Public Service know that generally its employees are energetic, enthusiastic, and concerned members of society, intent upon doing their job to the best of their ability and to the benefit of the community. They have forgone the glamour and potential for financial reward offered by private enterprise and instead have chosen to serve the community through the Government of the day. In return for this service, they surely are entitled to expect, as part of their contract, a stable career path unthreatened by political appointees or the necessity to compromise their professional values in deference to political ones.

Fortunately, it is highly unlikely that Labor will have the opportunity to introduce its discriminatory system in this State, but I do urge public servants in Queensland to take notice of what is happening to their colleagues in Canberra and in the other States where Labor Governments are in power. I urge Commonwealth public servants, and public servants in Labor-Government States, not to accept meekly the deterioration in their prospects the Labor revolution has caused. I urge them to resist it with all the independence of spirit they once showed when working under the traditional British system, when autonomy was valued, impartiality was revered, and personal integrity was paramount.

Unless these things are brought to the attention of the public in debates such as this one on the floors of the Parliaments of this nation, such practices will go unnoticed and unchecked until they wreck the traditional system of government in this country.

North Queensland Fertilizers Pty Ltd

Mr De LACY (Cairns) (12.20 p.m.): Today I refer to the affairs of North Queensland Fertilizers Pty Ltd and the so-called joint rescue operation being mounted by the Queensland Government and CSR. This Government has developed into a very fine art, especially in relation to the sugar industry, the ability to create the illusion that it is doing a great deal, whereas in fact it is doing nothing. This morning the Minister for Primary Industries again indulged himself along those lines.

The best example is all that breast-beating in which the Queensland Government engaged last year about assisting the industry with rural adjustment funds and calling on the Federal Government to match its contribution. Opposition members exposed it as a fraud. Yesterday, the Federal Minister for Primary Industry (John Kerin) said—

> " the Queensland Government as of June 30 last year, had spent $715,000 from its own resources on the sugar industry while claiming it had spent up to $31 million."

Despite the Queensland Minister's confused and convoluted attempt this morning to explain that away, the situation still stands. In the accounting world, it is called "fiddling the books"

Further, the Queensland Government claims that it had assisted the co-operative mills by lending them $10m. However, that $10m came initially from the Commonwealth at 8 per cent and was on-loaned to the mills at 14.8 per cent. Who wants enemies when one has friends like that?

Late last year, the Babinda Co-operative Sugar Mill, which is in some trouble, asked the Queensland Government to review the terms of its loan from the Government and the interest rates applicable at the time. Its request was refused point-blank. That should be compared with the New South Wales Labor Government's announcement yesterday that it had agreed to defer until the 1986-87 financial year loan instalments owing to it from the New South Wales co-operative mill.

So when honourable members hear the old story of the Queensland Government once again bailing out the sugar-cane-growers with an assistance package, we smell a rat. I started to dig, and the deeper I dug, the more interesting the story became. The fact that CSR was also to be part of that charity exercise made me all the more suspicious. Although one cannot deny the significant contribution made by CSR to the sugar industry, the fact is that CSR has never had a reputation for charity. As Opposition members never tire of pointing out, CSR's interests and those of the cane-growers do not always coincide.

For decades, CSR has occupied a preferred position in the industry as single selling agent, virtually a monopoly refiner, miller, and so on—a position that it has become very expert at protecting. In Queensland, the most politicised of all States, it has very effectively established its political contacts. It is no secret that it has a political hot line right into the heart of the National Party.

Let us have a look at the "assistance package" to North Queensland Fertilizers. As honourable members should know, a couple of years ago the cane-growers of Queensland bought a 51 per cent share of North Queensland Fertilizers from the multinational Agroprom in order to ensure that competition was retained in the retailing of fertilisers. North Queensland Fertilizers very quickly traded into difficulty, reportedly to the tune of an accumulated loss of $9m. So the crunch came; hence the joint rescue operation whereby CSR and the Government have put together a $4.2m loan to buy out the other 49 per cent owned by Agroprom and, in the Minister's words, help the company ride out the crisis in the sugar industry.

There are many puzzling aspects to this whole exercise. How will borrowing $4m to buy out the other 49 per cent help the operation? How is owning 100 per cent of a disaster better than owning 51 per cent of a disaster?

Many other questions need to be answered. How much did Agroprom's 49 per cent cost? At what interest rate will the loans be provided? What has really changed, in terms of market share, or economic conditions within the sugar industry, that will allow the company to trade out of its difficulties?

A host of other commercial, communication and, it seems, even legal questions as to corporate affairs requirements, have been raised in the media. The whole matter is certainly a puzzle. Many people, including many angry cane-farmers, are asking a lot of questions. For instance, did the Queensland Cane Growers Council try to flog off the company, or part of it, on the open market? It may come as a surprise to honourable members to find that North Queensland Fertilizers is not an unattractive target to some parties.

The latest edition of "Australian Business" refers to North Queensland Fertilizers and the cosy arrangement that CSR has with the Queensland Government. It says that it is in CSR's interests to keep any newcomers out of Queensland, particularly Elders IXL.

Elders IXL is the biggest commodity-trader in Australia. It trades all round the world, except, it seems, with the Soviet Union, but it would love to get in there. Coincidentally, North Queensland Fertilizers purchases most of its product from the Soviet Union. North Queensland Fertilizers therefore becomes a more attractive proposition. Perhaps Elders IXL would not mind getting a leg into the sugar industry. After all, CSR has had its way long enough.

My investigations lead me to the conclusion that Elders IXL is interested—or was interested. It made an offer, or expressed an interest, last December. I challenge the Minister to deny that. What happened? It got short shrift—not from the Cane Growers Council but from the Queensland Government. It was told to back off; that the Government would have no dealings with Elders. One would not have to be Nostradamus to conclude that CSR was behind it all. It would not want Elders here, at any cost, threatening its cosy arrangement.

The Queensland Government then provided its alternative plan, which has been spelt out. In the old paternalistic way, for which it is becoming famous, similar to the way in which it talks to Aborigines on reserves, it said, "This is what you will do. You will take this loan, pay this interest rate, mortgage that building, have this management regime" and so on. The interesting question is: What is the interest rate? A "Queensland Country Life" article on 21 March referred to commercial rates, which are presently about 16 per cent. A recent bridging loan of $360,000 to North Queensland Fertilizers by CSR was at the rate of 18.5 per cent. There are rumours that it is an on-lending loan, which means that CSR will on-lend the money from another lender and add its commission.

The talk in the industry is that CSR's magnanimous assistance will be at about 18 per cent. I emphasise that rate—18 per cent. Let us see whether what CSR is doing can be summarised exactly. How are CSR and the Queensland Government assisting the poor, troubled cane-farmers? CSR is lending $2.7m. If it is CSR's money, the interest is at about 18 per cent. If it is not CSR's money, it will receive a commission. The Cane Growers Council building in Edward Street is mortgaged to CSR, so the risk is minimal. Sugar trade with Russia, presently at 400 000 tonnes annually, is secured and CSR opens an opportunity for an expansion of that trade, which potentially could amount to as much as a further 2 million tonnes. In addition, CSR is taking over the management of North Queensland Fertilizers—no doubt, again on a cost-plus basis. The whole exercise is costing CSR nothing. It is laughing all the way to the bank. Into the bargain, it has kept Elders out of the sugar industry in Queensland.

CSR has done very well out of the deal. The Queensland Government has once again been able to engage in an orgy of self-congratulations on how it has helped the farmers. What benefit have the farmers obtained? The Cane Growers Council has been widely criticised for its mismanagement of North Queensland Fertilisers. The fact is that it has been unable to make the commercial decisions that were necessary to get it out of trouble. It had a fertiliser company that was in financial trouble, with three of the biggest commodity-dealers in the world vying for part of it—Agroprom, CSR, and Elders IXL—but the Queensland Government, friend of the farmers, put the kibosh on it. It told the Cane Growers Council that it had to trade out of difficulty by using $4m borrowed at 18 per cent interest. It had a great chance of doing that!

How does the reality compare with the rhetoric? On 1 February, the Minister for Primary Industries (Mr Turner) said, in answer to a question from my colleague the member for Bundaberg (Mr Campbell)—

> "The Queensland Cane Growers Council has a long history of independence and freedom from outside interference in its internal affairs. Queensland cane growers are rightly proud of that tradition. It is a tradition which the Queensland Government has always respected and which I fully support."

The Government is a fraud. It does not care about cane-farmers or anyone else except its big corporate mates. The member for Mulgrave (Mr Menzel) is trying to sheet home the blame for the North Queensland Fertilizers fiasco on Ron Belcher and Greg Ferguson. He should be looking to his own State Government for answers.

Time expired.

Queensland Economy

Mr COOPER (Roma) (12.30 p.m.): Much has been said recently about the Queensland economy and its so-called decline, and I guess it is the duty of the Opposition to use its limited opportunities to attack when it sees what it perceives to be a chance to denigrate the Government.

What I find to be hypocritical in the extreme is the attack by the Prime Minister on a sovereign State when he, himself, espouses the use of consensus, harmony, unity, national pride and other high-flying ideals—but obviously only when it suits him to do so.

Queensland is still more than holding its own within the Australian economic structure, even though it has come off the exceptionally high level of activity that has been so well documented over the past 10 years.

No State, nation, company or individual enterprise can stay on a peak ad infinitum. The fact that for so long Queensland has led the the nation economically is a credit to the Government. The Australian nation as a whole has been the beneficiary. It is amazing how quickly an Opposition tends to forget, and then relishes the moment that it feels that it can talk an economy down, to the detriment of all Queenslanders and Australians, and for the sake of sheer political expedience.

Government members have come to expect that kind of knocking syndrome unaccompanied by any constructive statements from the Opposition side. As such, it is the responsibility of Government members to ensure that the economy of Queensland is not talked down.

Whereas problems do exist, and for definable reasons, it is abundantly clear that the economy is still strong, though not as strong as it was previously. It has come off its peak since coal mines and mining ventures in general were opening up and expanding. Infrastructure pertaining to mining, port facilities, railways and the like could not be sustained indefinitely. Because much of it is completed for the time being, the next phase—that of being an established and recognised producer and exporter—has been entered into.

As Queensland's economy is reliant to a large degree on exports, it stands to reason that, if international commodity prices are depressed, the effect will be felt in the State, whether honourable members like it or not.

Coal, copper, sugar and other products are suffering because of depressed overseas prices, but that is not necessarily a phase that will last indefinitely.

Queensland's performance as an exporter, and therefore as a major contributor to the nation's wealth, can be demonstrated by the fact that in 1983-84 Queensland surpassed all other States in the value of exports. Queensland had the top figure of $5.4 billion, compared with New South Wales at $5.2 billion, Western Australia at $5 billion and Victoria at $4.7 billion. Queensland's figure represents 23 per cent of the value of Australia's exports, with only 16 per cent of the nation's population. Not only that, but approximately 25 per cent of Queensland's work-force is currently dependent, either directly or indirectly, on exports.

Rural production in 1983-84 reached $3.1 billion or an increase of 30 per cent on production in 1982-83. Queensland's contribution to the nation's agricultural exports is 25 per cent. It should again be remembered that Queensland has only 16 per cent of the population.

Whilst it is recognised that unemployment is at an unacceptably high level, it should also be recognised that the State has had a very high level of migration over the past five years. Well over 100 000 interstate migrants have moved into the State and jobs have had to be found.The southern States are net losers because of migration levels and, to a large degree, have improved their unemployment levels. Queensland's net migration gain is one and a half times that of the national average, five and a half times that of New South Wales, twice that of Victoria and four and a half times that of South Australia. For the year ended 30 June 1984, Queensland gained 8 089 people whereas New South Wales lost 11 632 and Victoria lost 3 734. In the four-year period ended 30 June 1984—and that is the early eighties—Queensland gained 114 710 people, while New South Wales lost 61 774, Victoria lost 49 890 and South Australia lost 22 005.

These figures dramatically illustrate the pressure put on Queensland to find extra jobs. The southern States employment problems have been, in large part, thrust onto Queensland.

Further reinforcing the reasons for the perceived downturn in Queensland's economy is the fact that, although it was the last State to feel the recession impact, Queensland began to slide into the Australia-wide recession in December 1983.

At that time the southern States began to pull out of the downturn. To add to that, technology introduction in the primary industries and the decline in the sugar industry have exacerbated the unemployment problem.

The Queensland Government recognises this problem. It has set up an interdepartmental task force to report back to Cabinet later this month with policy measures that could be implemented.

It is well known that an extra $600m was allocated to be spent over a two-year period on capital works, with one of the main aims being the creation of jobs. The Government anticipated the problems that would arise with the fall-off in infrastructure spending and, in addition, embarked on a major program of electrification of its railways in central and southern Queensland at an anticipated cost of $600m.

For the calendar year 1984, about 2 020 projects, valued at nearly $1.4 billion, were undertaken by this Government. They created about 880 000 man-weeks of employment. Many of the initiatives in the pipeline have not had time to work through the system yet, but they will.

Productivity of existing industry needs to be upgraded with new technology and new management systems. Queensland is working towards promoting the new generation

industries, based on high-technology research, which will enable it to expand its manufacturing capabilitites.

Queenslanders have seen, and will continue to see, the establishment of research parks, high-technology manufacture parks, innovation centres, incubation centres and so on. Although they may be new terms to most Queenslanders they are urgent priorities and show a great deal of promise. Queenslanders are entering a new era and, because of the usual suspicions about all that is new, it will be difficult for them to adapt. Queenslanders cannot turn their backs on new technology because it already exists and is blossoming in leading overseas countries. It must be embraced and made to work for Queenslanders.

I notice that some members opposite tend not to put much emphasis on tourism and what it means to the economic success or otherwise of Queensland. Perhaps some facts might change their attitude.

Apart from stimulating the economy generally, the important thing emanating from tourist spending is the jobs that it produces. Tourist spending in Queensland in 1982-83 is conservatively estimated at well over $800,000,000. It is said to have been well in excess of that figure. A breakup of that figure shows that just over $300m was spent by Queenslanders; about $385m by interstate visitors, and just under $100m by international visitors. That means that tourism pulled about $485m from outside the State and put it into the Queensland economy in the form of direct expenditure by interstate and international visitors. It is perfectly obvious that tourism is a major industry and will become more so in the immediate and long-term future.

The increasing economic strength of Queensland has been reinforced by sound Budget policy. This State's Budget must be balanced each year. Based on an analysis by the Commonwealth Grants Commission, Queensland's Budget performance consistently exceeds that of every other State. Queensland does live within its means.

The Government could generate extra funds if it introduced new taxes similar to those already existing in southern States. Were it to do so, it could raise an extra $187m just by levying the same level of taxes and charges applicable in other States.

I have no doubt whatever that the Federal Government is moving to squeeze this State to such an extent that it hopes that Queensland will be forced to raise extra revenue by introducing new taxes. Such insidious and damaging moves must be exposed all along the way.

The Prime Minister (Mr Hawke) has stated clearly that it is his vindictive intention to bludgeon Queensland financially. Such a move will react very firmly against him. He needs to remember that Queenslanders are also Australians and that it is they who will be the losers if his wicked will prevails.

Electric Train Collision, Beenleigh Line

Mr D'ARCY (Woodridge) (12.38 p.m.): Last Saturday, in my electorate, two trains collided head-on, causing the death of two people and injuring another 28. I have been shocked by the tragedy, and I extend my sympathies and those of my family to the families of those people who were killed or injured.

Daily in Queensland one hears of road accidents in which often more than two people are killed; but road accidents are different from rail accidents. In road accidents, a human element is involved, which, unfortunately, people have learned to accept. But the rail tragedy that occurred at Woodridge last Saturday was the worst in this State for 25 years. It showed me that I, as the member for the area, have been led up the garden path. Like the people of the area, I have not been told the truth. I believed that the new system had a fail-safe ingredient, and that the system was supposedly the best in the world. I had been told that the driver was just a small part of the fail-safe system, which was controlled by the computer section at Mayne.

During the diesel period, the single track between Trinder Park, Woodridge and Kuraby was the section that caused heartaches for the people in the area. At one time, in peak-hour traffic two diesels were virtually staring at one another over the small section at Compton Road bridge. We were told that that could not happen again. The Trinder Park-Kuraby section of the track has been waiting for an accident to happen. A time bomb has been ticking away; last Saturday, time ran out.

Unfortunately, I believed the Minister for Transport when he said that it could not happen again. Perhaps he believed what he was told. Nevertheless, a tragedy occurred in which two people died, that is, the driver and a young boy who lived in my electorate. At the same time, 28 people were injured, many of them seriously. If that accident had occurred during the week hundreds of people would have been killed, because thousands of commuters from my electorate use that line daily. The trains involved would have had standing room only from Kingston.

Yesterday, in Parliament, the Minister for Transport, who was obviously shocked by the tragedy—anyone who was there must have been shocked by the sheer enormity of the power of two trains colliding—indicated that there were some defects in the system. The Minister and the Government must accept full responsibility for the accident on Saturday. When people use public transport they expect safety to be provided by the Government. They put their faith in the system. Unlike accidents associated with car travel, they have no control over transport by train or the railway system. The Government led people astray, and the Government is liable.

If the Minister believes the statements that he has been making, he has been misled by his department or is unable to control his department.

What shocked me and so many others was that the Minister put trains back on the line on Sunday morning—on the single line that caused a fatal head-on collision on the Saturday—without giving any explanation to the people of Queensland. That was unbelievable. Either the Minister knew the cause of the failure and was prepared to accept the deficiencies in the line and risk further lives, or he was totally ignorant of the problem and was prepared to risk further lives. The crux of the matter is that, to date, no statement has been made by the Minister or the departmental inquiry to the people of Queensland or to the Parliament.

The Government and particularly the Minister for Transport have neglected the transport of people in the populous south-east corner. They have neglected fast-growing areas and failed to provide safety factors in the fast-growing areas. A single line on a commuter service carrying many thousands of people each day to and from outlying suburbs indicated that the Government had its priorities all wrong. The Government is prepared to spend millions of dollars on many projects, but it has failed to maintain proper rail services for the heavily populated areas of south-east Queensland. They are badly needed.

The cost to date of this one accident has been estimated at about $5m—and the accident occurred on a section of line that was deemed to be unsafe—yet the cost of upgrading this tragic section of line to double track, on the Minister's statement today, would be just over $2m, or half the estimated cost of the accident.

In the interests of the safety of people in my electorate who use this busy commuter service, I demand that this single section be replaced by a double track. The number of near misses on that section is unbelievable. It is amazing that the Government has not given priority to upgrading the section. The people of Queensland and I no longer believe that the system is fail-safe. It failed. As it was explained to me, the system is not fail-safe. The stories and information I have received have been horrific.

The Minister should institute a judicial inquiry, so that the people within the Railway Department, the public, contractors to the department, and their workers can give evidence with immunity, without their future employment being affected.

I am not sufficiently naive to believe that many of the calls which I and other Opposition members have received about the rail tragedy have not been made by people with an axe to grind, by people who are habitual complainers, by people who do not know what they are talking about or by the general ratbags in the community. I have been surprised that a high percentage of the information has been presented to me by caring, thoughtful people who are concerned about where the Queensland rail system is going.

The inquiry should be a judicial one, because a judicial inquiry would sort the wheat from the chaff and decide whether the public has correct or incorrect opinions. Even if only part of what we have been told is true, something is seriously wrong with the rail system in south-east Queensland. Obviously short-cuts have been taken, inefficiencies have proliferated and safety has been sacrificed for a few dollars. It appears that the jobs of many workers have been threatened so that a totally inefficient system can be kept running. Let us find out.

A judicial inquiry is needed. Information has come from station-masters, senior railway employees, computer-room staff and maintenance staff. The only way to find whether the people of south-east Queensland are safe when they travel on trains is to institute a proper judicial inquiry. Even the Minister might have been duchessed by some officers in his department. A proper judicial inquiry should be instituted after the Minister comes down with the report that he should have given to the House on Tuesday, the report that should have told honourable members what actually caused the accident on Saturday. Instead, the Minister has rushed the trains back on the line, perhaps at a time when everybody's safety is in jeopardy—unless he knows more than he has told this House and the people of Queensland.

A rail accident of that magnitude is a great disaster. It is quite apparent that it could happen again. Unless some action is taken in this House, it will happen again.

In closing, I would like to say that I have the greatest respect for the people who were involved in that emergency on Saturday. I refer to the police, the railway workers, the special team of doctors from the Queen Elizabeth II Hospital, the local ambulance and fire brigade officers, the local Salvation Army, the crane-drivers, the local doctors who assisted, and the members of the public who live beside that line and were able to help the people who were hurt overcome their initial shock. It was an exercise in a real emergency that the Woodridge area did not need. Those people covered themselves with glory.

I demand that a double track be provided for the rail system in my electorate. I never want to see a tragedy of such magnitude again. As I said, a judicial inquiry is needed. I firmly believe that the Minister was deeply shocked by what he saw on Saturday. If a tragedy of such magnitude occured again—and it possibly could—we in this House would be culpable.

Electricity Dispute; Censorship of State Government Advertisements

Mr ALISON (Maryborough) (12.47 p.m.): The electricity strike of a few weeks ago has brought about a watershed in industrial relations in Australia. The legislation that the Government has had to introduce into this Chamber to meet the needs of the occasion and to protect the people of Queensland is the beginning of the process of bringing responsibility back into trade unions in this country.

Yesterday was a day of shame for members of the Australian Labor Party Opposition when, to a man, they voted for industrial thuggery by opposing the amendments in the Electricity (Continuity of Supply) Act Amendment Bill. The members of the ALP Opposition voted in favour of their masters, the bully-boys at Trades Hall. They voted against Queensland workers and against SEQEB linesmen who simply want the right to work and to provide for their families. The Labor Party in Queensland will have to wear that decision for a long time. In fact, it will certainly be reminded of that decision at the next election.

Another group of people who made a shameful decision—this time, actually during the course of the two-week strike—were those members of the Printing and Kindred Industries Union who voted not to print a State Government advertisement. As a result of that decision, censorship of advertisements has been imposed on this State by the Printing and Kindred Industries Union through advertisement on Thursday, 21 February last.

Part of the advertisement, which appeared in the Maryborough "Chronicle" on Thursday, 21 February—I believe that it also appeared at least in "The Courier-Mail" on the same date—reads—

> "Members of the P.K.I.U. are endeavouring to stop any advertisement which contains provocative references to the present electricity dispute or is calling for replacement workers to take the positions of those Union members who have been dismissed.
>
> Members of the P.K.I.U. will not refuse to print any statements by any persons (Premier or otherwise) who wish to place their views before the citizens of Queensland."

Those two paragraphs in the advertisement are a contradiction in themselves. On the one hand, the members of the PKIU say that they will not print anything that is provocative—whatever that means; and I shall discuss that shortly—and, on the other hand, they say that they will print anything for anybody who wishes to place his views before the citizens of Queensland. I do not know how they rationalise those two statements.

That decision by the PKIU to impose censorship on advertisements is a very serious threat to our democracy. The day that Governments, businesses and private citizens have to front up to a committee of the Printing and Kindred Industries Union or anyone else to have their advertisements vetted before they are allowed to be printed is the day that freedom of press goes down the tube.

I was relieved to note that it was not the entire membership of the PKIU that opposed the advertisement. Only those members working at "The Courier-Mail", the "Daily Sun" and the "Townsville Bulletin" walked off the job and refused to print the State Government advertisement. I congratulate those PKIU members who did not set themselves up as a self-appointed censorship board. Those members who stopped the printing of the Government advertisement stand condemned. Their arrogance is to be deplored by everyone who cherishes freedom and democracy.

In this regard, I congratulate the management and staff of "The Courier-Mail" who printed the offending advertisement and the actual paper itself under great difficulties because of the walk-out by the PKIU and the Australian Journalists Association. The management and staff of that newspaper recognised the arrogance of the PKIU members for what it was, and they are to be commended for their actions.

Honourable members will have noted from the advertisement that I read that the members of the PKIU set themselves up to stop any advertisement that contained provocative references to the electricity dispute. Those arrogant little people, who now censor advertisements in this State, should let the community know under which criteria they operate. What do they consider to be provocative? If advertisements offend the political sensitivities of the PKIU, will its members refuse to print them? Will they refuse to print advertisements that provoke the Australian Labor Party or the Communist Party? The people of Queensland have a right to know the criteria under which PKIU members censor advertisements in newspapers such as "The Courier-Mail", the "Daily Sun" and the "Townsville Bulletin"

The people of Queensland also have a right to know where the Leader of the Opposition and his party stand on this matter. Do they concur with this arrogance on the part of PKIU members? Perhaps the Opposition put the PKIU members up to censoring the advertisement. Does the Leader of the Opposition know the criteria used to decide which advertisements will be printed and which advertisements will not be printed? Is it that State Government advertisements must not provoke the ALP or the

Electrical Trades Union? The Leader of the Opposition has a responsibility to enlighten the House so that the people of Queensland know where the Opposition stands on this matter. For all I know, the ALP may have drafted the guide-lines adopted by the PKIU.

An interesting point arises concerning members of Parliament. Should I or any other member wish to place an advertisement in "The Courier-Mail" that might provoke the sensitivity of the PKIU or the ALP, and the advertisement does not fit within the guide-lines of, say, the PKIU, I presume that members of that union would refuse to print the advertisement. Where does that place those union members who prevent a member of Parliament from carrying out his duty? I understand that a law states that any person who prevents or tries to prevent a member of Parliament from carrying out his duty commits a criminal offence. It would be interesting to explore that aspect.

It is my belief that the only proper and honourable way in which PKIU members can get themselves off the hook and redress the damage that they have caused by their arrogance and high-handedness is to make a public apology for their unwarranted action. I call on the PKIU to place another advertisement in which it can apologise to the people of Queensland and can withdraw its decision to become a censorship board.

I turn now to discuss certain sections of the Australian Journalists Association. I noted from a press statement that appeared in the Maryborough "Chronicle" that members of the AJA at "The Courier-Mail" and the "Townsville Bulletin" walked off the job on the evening of Tuesday, 19 February, in support of PKIU members.

The role of a journalist is a very responsible one and it can be a very honourable one. In reporting news, a journalist should report on news events as they happen via the pages of his newspaper or over radio or television, and leave it up to the reader, listener or viewer to come to his own conclusions.

I am aware that a person in public life, particularly someone connected with politics, must cop criticism that may be constructive and destructive. Indeed, a sensible politician welcomes constructive criticism. I see nothing wrong in journalists criticising constructively politicians, Governments or political parties, provided that it is done honestly. A journalist should base his report on the full story, and he should report the full story, not only those parts that he wishes to get across to his readers.

Some of the journalism throughout Australia is an absolute disgrace. One could be excused for thinking that some journalists are in the pay of the Australian Labor Party. Most of the journalism is of a high, professional standard. However, a minority of AJA members should put down their pens and pencils and give the game away, because they are a disgrace to their profession.

For my part, I have no complaints with the standard of journalism in the newspapers, television and radio in the electorate of Maryborough. The Government and I get a fair go. Certainly from time to time the Government is criticised but, because it is done in a professional and reasonable manner, that is quite OK. However, from reading the State-wide newspapers, listening to some radio reports, particularly those of the Australian Broadcasting Corporation on some of their State-wide programs, and also watching some of the so-called jornalists in action on Brisbane television makes one wonder what has happened to the ethics of the AJA. The decision by those arrogant little people in the AJA to walk off their jobs at "The Courier-Mail" and the "Townsville Bulletin" is simply a symptom of this problem and an example of the malaise in the AJA at present. Every morning, before starting work, every journalist should be made to read 10 times the editorial heading in "The Courier-Mail" which states—

> "Our liberty depends on the Freedom of the Press and that cannot be limited without being lost."

I am not clear whether the members of the AJA, who walked off their jobs in support of the members of the PKIU, also want to be with the PKIU members on the censorship board for advertisements, whether they were offended at the time by the State Government advertisement or, indeed, whether they had any right to be offended in the first place.

It could be that some members of the AJA interpret "freedom of the press" as meaning that journalists are as free as a bird to say what they like. I thought it meant that any Government, politician or private citizen, for that matter, must have free access to the press to express his viewpoint regardless of whether such opinion offends anybody else—members of a political party, the PKIU or the AJA. Perhaps other members of this House might enlighten me as to whether I have the correct interpretation of "freedom of the press".

I respectfully suggest to the members of the AJA that they take a good look at themselves and the work of some of their fellow-members and have a good think about the gross disservice being done to their readers, listeners, viewers and their profession by the outpourings of a minority of their members who, quite frankly, are a disgrace to their profession. I also respectfully suggest to the members of the AJA that they take a good look at their profession, at what some of their fellow-members are up to and at where the profession is heading. I urge the AJA not to get involved in any censorship activities, or what could be taken as censorship, by way of secondary boycotts. The AJA should clean up the act of some of its members and get on with its profession, which should play an honourable role in our democracy.

I conclude with a comment by David McNicoll, who is one of the senior journalists in Australia. His article, which was published in "The Bulletin" of 22 January, states—

> "Journalism is a great career. To assist in producing a publication which informs, educates and entertains is a rewarding and heady business.
>
> But things are happening in journalism which set the alarm bells ringing "

Time expired.

Refutation of Allegations of Professional Misconduct by Members of Australian Journalists Association and Printing and Kindred Industries Union.

Mr MILLINER (Everton) (12.57 p.m.): In the few minutes remaining in this debate today, I wish to make a few comments on the contribution made by the honourable member for Maryborough (Mr Alison). My, my, wasn't he hurt! It is amazing that when members of the Government do not like the criticism levelled at them, they have to blame somebody else. The honourable member's attack on journalists was totally unwarranted. The journalists of this State—particularly those in the parliamentary press gallery—conduct themselves in a manner that does their profession proud. It is amazing that when criticism is levelled at the National Party Government, it really hurts.

The honourable member for Maryborough also raised the matter of the disputation between members of the Printing and Kindred Industries Union and some newspapers. Once again, he did not check out the facts. Obviously what occurred between Queensland Newspapers and the PKIU was a spontaneous dispute; it was not organised or orchestrated by union officials. The employees at Queensland Newspapers were so incensed at the advertisements being placed by the Government that they felt they could no longer work in the publishing of the untruths being spread by the Government. Their refusal to handle the advertisements was spontaneous.

Mr Yewdale: Would you suggest that Mr Alison left the Liberal Party because it wasn't kicking the trade unions as much as the National Party?

Mr MILLINER: That is probably right. However, I think the main reason he left the Liberal Party was that it did not endorse him. It is well-known that the honourable member for Maryborough carries round with him a brief-case containing documents for his accountancy business.

The scurrilous attack by the member for Maryborough on the members and officials of the PKIU, who acted very responsibly in the dispute, is totally unwarranted. All honourable members would realise that the members of the PKIU in Rockhampton are still in disputation over those advertisements. The officials of that union have been

endeavouring to get those employees back to work. The disputation has been spontaneous; it has not been organised by the union officials. Government members are continually crying about union bosses but, when the officials of trade unions act in a responsible manner, they do not get any thanks from this Government; all they get is another kicking.

When one considers the legislation that has been introduced into this Parliament over the past couple of weeks, one can understand what happened in Germany where a gentleman by the name of Adolf Hitler was doing the same sorts of things.

Mr DEPUTY SPEAKER (Mr Row): Order! Under the provisions of Standing Order No. 36A, the time allowed for the debate on matters of public interest has now expired.

Sitting suspended from 1 to 2.15 p.m.

ELECTORAL DISTRICTS BILL

Hon. Sir JOH BJELKE-PETERSEN (Barambah—Premier and Treasurer), by leave, without notice: I move—

"That leave be given to bring in a Bill to make provision for the better distribution of electoral districts."

Motion agreed to.

First Reading

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

Second Reading

Hon. Sir JOH BJELKE-PETERSEN (Barambah—Premier and Treasurer) (2.16 p.m.): I move—

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

Let me say at the outset that a redistribution of State electoral districts in Queensland is absolutely necessary. There are numerous electorates that are either over quota or under quota. In all, there are 14 electorates over the quota levels and 15 below the quota levels.

In the south-eastern zone there are 47 electorates—11 over quota, 10 of which are held by the National Party and one by the Australian Labor Party; 14 are under quota—three of which are held by the National Party, one by an Independent, two by the Liberal Party and eight by the Labor Party.

In the provincial cities zone there are 13 electorates—one of which is over quota and is held by the Labor Party.

In the western and far-northern zone there are seven electorates—one of which is over quota and is held by the National Party.

In the country zone there are 15 seats, of which one is over quota and one is below the quota. Both of these are held by the National Party.

The last redistribution of electorates took place in 1977 when Queensland's population was 2 110 000. It is now of the order of 2 520 000—an increase of 410 000, or 19 per cent. In terms of enrolments, between the 12 November 1977 State election and the 31 December 1984 enrolment, the increase was about 25 per cent.

The coastal strip approximately south of the Tropic of Capricorn, including the south-eastern zone, has seen a growth of 25 per cent since the last redistribution. The coastal strip approximately north of the Tropic of Capricorn has seen a growth of 38 per cent. It is quite clear, therefore, that a redistribution is necessary to redress the imbalances.

Honourable members would be aware that the number of seats in the Queensland Parliament has not been increased for 14 years. The Electoral Districts Act 1971 provided for 82 electorates. At that time the State had a population of 1 820 000. The growth in population from 1971 to 1985 is 700 000, or 38 per cent, thus an increase in the number of parliamentary seats is warranted to provide balanced and fuller representation within the four-zonal system—the south-eastern zone, the provincial cities zone, the western and far-northern zone and the country zone. The Bill provides for 89 electorates instead of the present 82—an increase of seven.

The south-eastern zone will embrace 51 electorates, an increase of four electorates; the provincial cities zone will have 13 electorates, the same number as at present; the western and far-northern zone will have eight electorates, an increase of one electorate; and the country zone will have 17 electorates, an increase of two electorates.

There is no alteration to the existing south-eastern zone boundary. However, the schedule to the Bill now includes reference to the city of Logan.

At the present time, the provincial cities zone provides for three electorates in each of the Bundaberg area, the cental Queensland area and the Townsville area; two electorates in the Cairns area; and one electorate in each of the Mackay and Mount Isa areas. It is proposed that Mount Isa be excluded from the provincial cities zone and included in the western and far-northern zone. However, the provincial cities zone will still embrace 13 electorates with three electorates in each of the Bundaberg area, the central Queensland area and the Townsville area; and two electorates in each of the Cairns and Mackay areas.

Another major change includes the expansion of the Mackay area to include divisions one and three of the shires of Pioneer and Proserpine, which constitute the electorates of Mackay and Whitsunday. In other words, most of the existing Whitsunday electorate now comes into the provincial cities zone. Minor changes are also proposed in the Bundaberg, Cairns, central Queensland and Townsville areas.

Turning now to the western and far-northern zone—the shire areas of Cloncurry and Burke will now be included, whilst excluded are the shire areas of Duaringa, part of Belyando, part of Bowen and part of Mareeba. With the inclusion of the city of Mount Isa, the number of electorates in this zone will be increased from seven to eight.

The County Zone will comprise the remaining parts of the State not included in the other three zones. The Country zone boundary will be similar to the present one, except where the provincial cities and western and far-northern zones necessitate changes. Most of the shire of Mareeba will now be included in this zone.

Because the provincial cities zone no longer has an area constituting one electoral district, a number of consequential drafting changes have had to be made to sections of the Act. However, the general provisions of the Act and the principles contained therein remain the same.

In 1977, it was approved, in respect of a redistribution, that the first general roll was to contain the names of electors registered on the date of proclamation of a district determined under the redistribution. Previously, the date chosen had been 31 December next following the date of appointment of the commissioners. The provisions contained in this Bill follow the 1977 amendment, especially having regard to the present provisions set out in the Elections Act that do not cater for an annual roll but for a general roll that is to be produced at a time considered to be appropriate.

As I mentioned earlier, it is as a result of the population growth in Queensland that there is such an urgent need to provide a more satisfactory parliamentary representation, particularly bearing in mind that Queensland has only one House, whereas all other States have very large numbers of members representing the people. The proposals which I have outlined are soundly based and reasonable.

The four-zone system will continue the balanced representation, balanced development policy of my Government. Unlike the one vote, one value policy of other politcial

parties, the zonal system ensures that there is an equal spread of new seats across the State. There will be four in southern Queensland and three in the central and north Queensland areas. This contrasts markedly with the Labor Party's Federal redistribution where, under its one vote, one value policy, all of the five new seats were created in populous southern Queensland.

Mr Davis: Somebody should pull the plug on you.

Sir JOH BJELKE-PETERSEN: By the sound of his voice, somebody has pulled the plug on the member for Brisbane Central.

The one vote, one value policy is short-sighted. It reflects blinkered vision, sectional policies and an inability to see beyond the heavily populated south-eastern zone. It is espoused by those who are more concerned about mathematical formulas than representation of people, growth and balanced development.

One vote, one value applied to Queensland would see seven electorates taken from northern and western Queensland and placed in the south east of the State, where 60 per cent of all seats are already located. This would represent a sell-out of the interests of the people of the north and the rural areas of Queensland. The zonal system ensures the right balance of seats between country and city. This is borne out by careful and thorough research by Dr Colin Hughes, professorial fellow at the research school of social sciences at the Australian National University. This study shows that there is only a 1.5 per cent bias in the electoral system to the conservative parties in Queensland whilst, in New South Wales, there is a massive 6 per cent bias to the ALP. (Source: "The Bulletin"—1 November 1983.)

Under this Bill there is close correlation between the percentage of electors in each zone and the percentage of the total State seats in each zone. For example, under the Bill, in the south-eastern zone as at 31 December 1984, there would be 987 238 or 64.8 per cent of the electors in a zone with 51 seats, or 57.3 per cent of the electorates. In the provincial cities there would be 254,810 or 16.7 per cent of the electors, enrolled in a zone with 13 seats, or 14.6 per cent of the electorates. In the western and far-northern zone there would be 71,739 or 4.7 per cent of the electors enrolled in a zone with 8 seats, or 14.6 per cent of the electorates. In the western and far-northern zone there would be 71,739 or 4.7 per cent of the electors enrolled in a zone with 8 seats, or 8.9 per cent of the electorates. In the country zone there would be 209 574 or 13.7 per cent of the electors in a zone with 17 seats, or 19 per cent of the electorates.

This is a very fair Bill, as it upholds the policy of balanced representation as opposed to one vote, one value, which would mean that at least an extra nine electorates would be created within 160 km of the Brisbane City Hall.

The major machinery provisions in relation to the appointment of commissioners and the duties of the commissioners have not been altered.

It must be remembered that, from the date the commissioners are appointed until the final approval of the new boundaries, a period of six months will elapse. It would be the intention of the Government, therefore, to appoint the commissioners fairly quickly after this legislation has passed through the House, and has received royal assent.

I commend the Bill to the House.

Debate, on motion of Mr Warburton, adjourned.

GOVERNORS' PENSIONS ACT AMENDMENT BILL

Second Reading—Resumption of Debate

Debate resumed from 20 March (see p. 4193) on Mr Gunn's motion—

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

Mr BURNS (Lytton) (2.26 p.m.): In a State in which the Premier and Treasurer has recently been calling for a reduction in the amount of wages paid to Queensland

youth, in which wages are about the lowest in Australia, in which moves are being made to take penalty rates away from ordinary men and women, and in which more and more people are on the dole, the Governor, in contrast, is the highest-paid Governor in Australia.

Two weeks ago, the salary paid to the Governor was increased to $74,000 without an explanation being given, and I point out that the salary is tax-free. The amount of $74,000 tax-free is the equivalent of a salary of $160,000, and I want to know why the Governor of Queensland is paid at twice the rate that Governors of Victoria, New South Wales and South Australia are paid. For example, the Governor General is paid $70,000; in New South Wales, the Governor is paid $40,000; in Victoria, the Governor is paid $44,500; in South Australia, the Governor is paid $39,400; in Western Australia, the Governor is paid $68,130; and in Tasmania, the Governor is paid $60,000. In the two latter States that I have mentioned, the salary paid to the Governor is tied to 70 per cent of the salary received by the Chief Justice in each State.

The personal salary paid to the Governor-General and all State Governors is exempt from income tax under the Income Tax Assessment Act by virtue of section 23 (A) (1). In no case is the Governor's entitlement to a salary affected by the amount of income received from other sources, such as service pensions, periodic superannuation payments or annuities. Whether the amount of pension to which a Governor is entitled would be affected by the amount of other income received, including the vice-regal salary, would depend on the terms of the pension entitlement agreement. I repeat that last week the salary entitlement was increased from $70,000 to $74,000 tax-free, and the increase is virtually a $10,000 rise in salary at a time when the Queensland Government advocates a policy of restraint for workers and has said that wages are too high.

As the salary paid to the Governor is not affected by the payment of any other pensions, Sir James Ramsay has received, in addition to the equivalent of a $160,000 salary, a pension in respect of his prior service in the navy, which I estimate to be worth $35,000 per annum.

Upon his retirement from the navy, Sir James could have received a lump-sum payment of $143,644 plus an annual pension of $28,420; or, if it is assumed that Sir James received the full pension, he would be receiving $160,000 from the vice-regal salary, and his total annual salary would be $195,111. It is no wonder that he is always smiling.

Queensland's next State Governor will receive a pension of 60 per cent of the salary paid to the Chief Justice. That pension will be worth $60,000, and I will outline the calculations I have made to arrive at that figure. The salary paid to the Queensland Chief Justice is currently $99,925 and, upon retirement, the Chief Justice, Sir Walter Campbell, will receive 60 per cent of that salary paid to the Chief Justice, which amounts to $59,950. That is not affected by his salary as Governor. So, if Sir Walter Campbell is appointed Governor, he will receive $59,955 from the tax-payers of Queensland as his retirement pension, plus another $160,000 in salary, making a total of $220,000 a year, which is more than the salary received by the President of the United States of America. That is a possibility under the proposal before the Chamber today.

Everybody knows that a Governor does not have too many expenses. In Queensland, it will cost $585,000 this year to run the Governor's establishment and pay for his expenses.

For Australia as a whole, the Governor-General and the State Governors are costing the Australian tax-payers $10.4m just for their salaries and the running costs of their offices. That total does not include capital works, travel expenses and the like.

Because the Governor's pension is computed as a percentage of his salary, I will cite figures that illustate the cost of the Governor-General and Governors throughout Australia in the following table—

Cost of the Governor-General and the State Governors' Establishments 1984-85

Australia		
Governor-General's Salary		$70,000
Allowances for former Governor-General		$148,000
Establishment		$3,528,600
	TOTAL	$3,756,600
Queensland		
Governor's Salary		$74,000
Pension		$7,275
Establishment		$585,000
	TOTAL	$669,275
New South Wales		
Governor's Salary		$40,000
Establishment		$796,000
	TOTAL	$836,000
Victoria		
Governor's Salary		$44,500
Governor's Pension Act		$73,200
Establishment		$1,661,000
	TOTAL	$1,778,700
Includes capital works on the Governor's Residence.		
Western Australia		
Governor's Salary		$68,130
Establishment		$791,000
	TOTAL	$859,130
South Australia		
Governor's Salary		$39,400
Additional Allowances		$103,900
Establishment		$456,000
Capital Works 1984-85		$100,000
	TOTAL	$693,300
Tasmania		
Governor's Salary		$60,000
Establishment		$902,000
	TOTAL	$962,000
Northern Territory		
Administrator's Salary		$65,417 (taxable)
Allowance		$4,495
Establishment		$785,000
	TOTAL	$854,912

So the Governor-General and the Governors in Australia cost the tax-payers a grand total of $10,409,917.

The figure that appears as allowances for the former Governor-General must be drinking money for Kerr.

I turn now to the British monarchy. The Australian tax-payers are paying more to support the Governor-General and the Governors than the British tax-payers pay to support the British royal family. That is a fact.

In 1984 the British monarch's civil list totalled $7.9m, almost $3m less than the Australian tax-payers forked out from their hard-earned money.

What is more, payments to the members of the royal family are tax-free only insofar as they are spent on official duties.

The figure to which I referred does not take into account the cost of the royal yacht or of looking after the royal palaces and things of that nature. The cost of running the British royal family is less than the amount spent to support the Governor-General and Governors in Australia.

The salary of the President of the United States of America is $200,000 per annum, and that is not tax-free, either. Although the US President's income is not tax-free, the incomes of the Governor-General and the Governors of the Australian States are.

I turn now to the pensions paid to the Governors of the other States. In New South Wales, the Governor's pension is 25 per cent of judicial salary, plus 5 per cent for each completed year of service in excess of five years' service. The Victorian Governor's pension is 60 per cent of the Chief Justice's salary. In South Australia, the Governor's pension is not to exceed 50 per cent of his salary. In Western Australia, there is no specific legislation covering this point. The Western Australian Governor receives only his pension entitlement from the University of Western Australia, where he was a professor.

One question that should be asked when legislation of this sort is being debated is: How will the Governor's pension be affected by a lump-sum entitlement? The Governor's pension will be affected by the pension he receives from the navy. I want to know what will happen if he converts that to a lump sum. Members are entitled to know that.

The Queensland Government spends the least of any State on the aged. The Governor is about 70 years of age, so one can compare what is spent on him with what is spent on other elderly people in the community. In 1980-81, Queensland spent only $8.7m. on services to the aged. South Australia, with less than half Queensland's population, spent $13.1m on such services. Queensland is the only State in which pensioners do not receive a discount on their electricity bill.

The Governor is being paid off for what he did to make members opposite the Government at the last election. He failed to do his job prior to the last election. When the Liberal Party split with the National Party, the Governor should have made the Premier, who was the leader of the minority party in this Assembly, go to the people of this State.

Mr DEPUTY SPEAKER (Mr Row): Order! Standing Orders provide that the honourable member must not impugn the veracity of the Crown. I believe that in his most recent comment he did that, and I ask him to withdraw his statement.

Mr BURNS: I have to obey Standing Orders, but I think it has to be on record that the Opposition feels this way in relation to the Governor's actions——

Mr DEPUTY SPEAKER: Order! The honourable member will withdraw the comments.

Mr BURNS: I withdraw the comments.

Mr DEPUTY SPEAKER: Thank you.

Mr Simpson: Unconditionally.

Mr BURNS: There is nothing conditional about it. The honourable member should not worry about that. Mr Speaker is entitled to run the Parliament in his own way.

Even though the Premier might tell Mr Speaker what to do, the honourable member does not have the opportunity or the right to do so. The honourable member for Cooroora may be able to stand over others in the party meeting and tell them what to do, but he cannot do that in the House. I should like the honourable member's comment to be recorded in "Hansard" so people may realise what the back-bench members of the National Party are like.

Mr DEPUTY SPEAKER: Order! The honourable member will come back to the Bill.

Mr BURNS: I repeat, for the benefit of the Premier, that the Governor should have told him to call Parliament together at the time of the split with the Liberals. By not acting at that time, the Governor allowed the Premier to appoint his own Ministers, which gave the Premier a free run at election-time. I am not being unfair or impugning the honesty of the Governor. I am saying that he did not do his job at that time.

Mr DEPUTY SPEAKER: Order! The honourable member's comment that the Governor did not do his job is sufficient for me to suggest that he is impugning the veracity of the Governor. I ask him to withdraw the words.

Mr BURNS: I withdraw them. In accordance with the forms of the House, I withdraw them.

Mr DEPUTY SPEAKER: Order! The honourable member will not qualify his withdrawal.

Mr BURNS: I will not qualify my withdrawal.

I finish by asking the Premier to explain why the Governor of Queensland should be paid more than the Governor-General and more than any other Governor in Australia. I should like the Premier to explain why the Government is treating the man specially, compared with every other State Governor. The Premier need not blame Labor Governments in other States. In Tasmania, New South Wales and Victoria, the laws relative to the Governor's salary were set by former Tory Governments. I want to know why the changes have taken place.

Hon. Sir WILLIAM KNOX (Nundah) (2.37 p.m.): The presentation of this Bill gives honourable members an opportunity not usually available to them to discuss, in a substantive way, the position of the Governor of the State.

Mr Davis: You be careful what you say.

Sir WILLIAM KNOX: I assure the honourable member that I will treat the Governor's position and the debate with the respect that the Governor's position and office rightly deserve. I should hope that members of the ALP will do likewise. Although honourable members opposite like to be called Her Majesty's Opposition, their attitude to Her Majesty's representatives has not always been of a standard that I believe they ought to uphold.

The system under which professional Governors were appointed, after being sponsored by the British Empire, worked extremely well for the hundreds of millions of people in the Empire. The Governors became renowned throughout the British Empire. The first Governor of Queensland, Governor Bowen, was a professional Governor. He had served in other parts of the Empire and subsequently became the Governor-General of New Zealand. The Governors underwent exhaustive training, and their knowledge of their responsibilities was extremely wide. Most of them served as ADCs and Lieutenant-Governors. In that way, they gained tremendous experience. Most of them received very little remuneration. They relied very heavily on the pension that they ultimately received, and their keep and their every-day needs were met from the public purse.

Two very sad cases of Governors associated with Australia could well be mentioned. The first concerns Governor Macquarie, who had his pension suspended for some time.

The other concerns Edward John Eyre, the famous explorer who became Lieutenant-Governor of South Australia. He later was impeached after serving as the Governor of Jamaica. His pension was suspended for many years. He lived in poverty for some time until his pension was restored after a retrial.

The people who acted as Governor in various parts of the Empire, of which we were a part, served with great distinction and great sacrifice. The system changed until Governors were appointed by Her Majesty on the recommendation of the respective Executive Councils and Cabinet leaders.

In Australia, a very sound system exists for appointing Her Majesty's representative. The position must attract both a salary and a pension. I do not think that any member in this Chamber would dispute that statement, even though a number of members dispute the office. They feel that the position of Governor ought to be abolished. That is ALP policy.

Mr Comben interjected.

Sir WILLIAM KNOX: Along with his colleagues, the honourable member for Windsor supports the policy that the office of Governor should be abolished. I shall deal with that matter for a moment. Rarely do members have an opportunity to debate that matter. This is one occasion on which they can do so. The ALP wants the office of Governor abolished because it is the greatest protection that exists in a democracy under the Westminster system against the tyranny of government.

When Whitlam got the sack, it provided an opportunity for the people to make a judgment on what they thought of the issues of the day. The Governor-General referred the whole matter back to the people of Australia so that the democratic process could work and the people could decide the issue, which they did.

Between April and August 1957, a minority Government was in charge of this State. Because of his understanding of the matter, the Governor of the day accepted his responsibility to ensure that at all times the Government had Supply. In 1957, the Opposition voted for Supply to keep that minority Government in office. At that time the members of the ALP voted against the Government, of which they had been part, to refuse it Supply. If it had not been for a Governor who understood the responsibilities of his office, in the early part of 1957 anarchy would have broken out in this State.

Queensland is fortunate that the people who have occupied the position of Governor have understood the responsibilities attached to that office. The Governor is not a functionary, as the honourable member for Lytton would have us believe. He is not some ceremonial-occasion person, which is what members of the ALP seem to imply. Special responsibilities attach to the office of Governor.

The person holding that office is entitled to seek advice from any quarter that is available to him. He is entitled to seek advice from the Executive Government, the Solicitor-General, the Chief Justice, or any other source that he feels is capable of providing that advice. He acts on that advice responsibly. Queensland has been fortunate that Governors have understood their responsibilities.

I do not care how much the members of the ALP preach the abolition of the office of Governor. Immediately that office is abolished, the people will have reason to fear. Having once been in the position of adviser to His Excellency the Governor, as a member of the Executive Council and Attorney-General, I know what goes on from time to time when petitions are presented to the Governor. All I can say is that Queensland is very fortunate to have that constitutional position established to look after the interests of the individual in the community. No matter how humble or modest an individual is, he is able to bypass the Executive Government and even this Parliament and approach the Governor directly to have a matter heard. That has always happened, and the system has worked extremely well.

On occasions I advised His Excellency, and people were pardoned in respect of matters that had gone before the courts of law. That is how powerful the position is, and Queenslanders are very fortunate to live under such a system. If the office of Governor is abolished, the centralist bureaucracy policy of the ALP would take over, and the people could say goodbye to democracy in this country.

Because the opportunity may not present itself again, I pay tribute to the present occupant of the high office of Governor of Queensland, His Excellency Sir James Ramsay, who has behaved with considerable dignity and has become a very popular and well-loved Governor in this State. His contribution, through his leadership, has had a substantial impact on the thinking in the State, and has been of the highest order. Queensland has been fortunate to have him as Governor. He has mixed with people from all walks of life and he has made himself freely available to perform the many official duties that the office demands. The State is fortunate to have had his services. I am sure that future occupants of the office will do likewise.

Mr Davis: Let's be honest; anybody can do the job.

Sir WILLIAM KNOX: No, not just anyone could do the job.

Mr Davis: Even you could do the job.

Sir WILLIAM KNOX: Well, that is the first time that the honourable member for Brisbane Central has said anything flattering about me, and it was in a backhanded way. He damns me with faint praise. I have absolutely no chance of getting the job.

The honourable member for Brisbane Central shares the view of the honourable member for Lytton, who takes every opportunity to degrade the office of Governor because it is ALP policy to do so. The public should understand that, despite what Labor Party members may say from time to time, their printed policy is the abolition of the offices of Governor-General and State Governors. With the abolition of those offices, Labor Party attempts to rule with a socialist bureaucracy and take over the State will be enhanced.

Hon. Sir JOH BJELKE-PETERSEN (Barambah—Premier and Treasurer) (2.47 p.m.), in reply: I take this opportunity to pay a tribute to Sir James and Lady Ramsay for the wonderful job that they have done for Queensland. They are held in very high regard by the people of this State. I cannot emphasise that too much, and most Queenslanders recognise that.

It was very refreshing to listen to the honourable member for Nundah (Sir William Knox). His comments were very accurate. I recall when the honourable member for Lytton (Mr Burns) was Leader of the Opposition. He used to push his shoulders back, put his chest out and claim, "I am the Leader of Her Majesty's Opposition. You must treat me with respect."

Mr Burns: That doesn't mean to say that we must have any respect for the Governor. He is your man.

Sir JOH BJELKE-PETERSEN: I never cease to be amazed by the comments of the honourable member.

I remember when the honourable member for Mackay (Mr Casey) was Leader of the Opposition. Every time Her Majesty the Queen came to Queensland, he nearly knocked me over in his attempts to meet her.

Mr Casey: She thought that I was a much nicer bloke than you.

Sir JOH BJELKE-PETERSEN: The honourable member for Mackay does not deny that, no matter where I went——

Mr Burns interjected.

Mr DEPUTY SPEAKER (Mr Row): Order! I have warned the honourable member for Lytton that he must not impugn the veracity of the Governor. Because the honourable member is doing so by way of interjection, I warn him under Standing Order No. 123A.

Sir JOH BJELKE-PETERSEN: I draw the attention of the House to the hypocrisy of Opposition members. I know that when Her Majesty the Queen and other members of the royal family visit Queensland, nearly every Opposition member wants a ticket so that he can shake hands with them. However, the attitude of members of the Opposition in this place never ceases to amaze me.

The Deputy Leader of the Opposition (Mr Burns) spoke about the amount of money that the office of Governor costs the tax-payers of this State and about the taxes that the Government imposes. It must be emphasised that Queensland's taxes are by far the lowest in Australia. It must be realised that it is a small price to pay for the system that Queenslanders enjoy. Australia is privileged to be part of the Commonwealth of Nations of which Her Majesty is head. Sir James Ramsay is her representative in this State.

Queensland inherited this system, which has meant a great deal to the people of the State and a great deal to members opposite. The systems that have operated in many other countries for thousands and thousands of years, as is the case with China, have not achieved as much for their peoples as has been achieved in this State in the 200 years since Captain Cook first sighted this country. We enjoy a standard of living unparalleled in most parts of the world.

Mr Davis: Why don't they have a Governor of Denmark?

Sir JOH BJELKE-PETERSEN: I do not think the honourable member for Brisbane Central is all there. He has just partaken of luncheon refreshments, so I can excuse his comments.

Members of the Government know that the Deputy Leader of the Opposition and his colleagues do not like the monarchy and our system of government. As was said by the member for Nundah (Sir William Knox), the policy of the Labor Party is quite clearly to abolish this system.

Mr Burns: Do you remember your attack on Prince Phillip and Prince Charles over the flag?

Sir JOH BJELKE-PETERSEN: I have never attacked them at all. I said that I believed that the flag that we have is the one that we want.

I agree that the Chief Justice of Queensland should receive a salary of $94,700.

Mr Burns: You are not always loyal to the Crown, either. You are a pretender.

Sir JOH BJELKE-PETERSEN: No. By the sound of things, the Deputy Leader of the Opposition also had something extraordinary for his dinner.

The salary of His Excellency the Governor is $74,000, which is well below that of the Chief Justice. That is in keeping with the importance of the position of Chief Justice.

Mr Casey: But he pays no tax. If there is no tax, you can multiply that figure by three.

Sir JOH BJELKE-PETERSEN: This has always been the system.

Another fact is that the Governors in other States receive a number of allowances.

Mr Burns: The salaries received by a large number of the members of the royal family are not tax-free.

Sir JOH BJELKE-PETERSEN: Our system has always been like this and we are thankful and proud that we have this system. It is a very, very small price to pay for

the system. To have a representative of Her Majesty here is something worth fighting for and maintaining. It deserves the recognition of a just salary.

As I said, a number of different allowances are paid to the Governors of other States. The Governor of Queensland does not receive those types of allowances. The Deputy Leader of the Opposition might wish to recall that in 1984, when all State politicians, including the Deputy Leader of the Opposition and Leader of the Opposition, received an increase in salary, His Excellency received no increase. Because of that, recently he received an increase in salary.

There is no need for me to comment further other than to say that I pay a high tribute to Sir James Ramsay. I am very saddened to see the Deputy Leader of the Opposition acting this way. That will be recorded in "Hansard". It will show him and his party as acknowledging that they do not want Her Majesty's representative in this State. They want to downgrade the office of Governor as low as they can get it. In fact, they want to get rid of the office and set up their republic. However, the Government will remain in power and will make sure that that does not happen.

Motion (Mr Gunn) agreed to.

Committee

Clauses 1 to 3, as read, agreed to.

Bill reported, without amendment.

Third Reading

Bill, on motion of Sir Joh Bjelke-Petersen, by leave, read a third time.

STATE GOVERNMENT INSURANCE OFFICE (QUEENSLAND) ACT AMENDMENT BILL

Second Reading—Resumption of Debate

Debate resume from 20 March (see p. 4190) on Mr Gunn's motion—

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

Mr BURNS (Lytton) (2.55 p.m.): This Bill seeks to increase from two to three the number of private sector representatives on the board of the SGIO. Apart from conjecture about who the third appointee might be—the ubiquitous Ted Lyons might even pop up again—it is indeed pleasing to hear the Government praise the SGIO, saying it "provides a tremendous stimulus to the development of this State through its funding policies"

On behalf of the Labor Government of T. J. Ryan, which set up the SGIO, may I thank the Deputy Premier for his enthusiastic support of this socialist State enterprise. Unforunately, some of the Deputy Premier's short-sighted predecessors did not share his enthusiasm for State socialism.

I wish to refer briefly to the early history of the SGIO. When the Ryan Labor Government introduced the Bill to establish the State Accident Insurance Office under the Workers' Compensation Act of 1916, the Tory-controlled Legislative Council tried to block the Bill because it gave a monopoly over workers' compensation to what was renamed a year later the SGIO.

The insurance industry fought the Bill, as it did in Victoria during the last election, and the anti-Labor majority in the Legislative Council attempted to emasculate it. The Tories rose to the level of their own incompetence, passed irrelevant amendments and, in their own inspired confusion, sent the Bill back to the Legislative Assembly with the compulsory State monopoly provisions over workers' compensation left intact.

It is a long-standing joke in political circles that, when the tories realised their incompetence, they asked the Government to be reasonable and send the Bill back so

that they could do it right on the second time round. Needless to say, this bungled attempt to destroy the Bill made the Legislative Council the laughing-stock of the day and brought about its early demise.

The Deputy Premier and Minister Assisting the Treasurer must be very pleased and, indeed, relieved that his predecessors on the conservative side were such bunglers, because on numerous occasions in this House he has praised the fact that Queensland has the lowest workers' compensation charges in Australia. Workers' compensation is now controlled by a board. The original concept of Ryan and the original State monopoly of workers' compensation gave Queensland the great benefits that we enjoy today. I say thanks to the foresight of the Ryan Labor Government and the Government monopoly on workers' compensation.

Mr Gunn: You haven't got many of the Ryans over there today.

Mr BURNS: The Ryans are there. The same principles exist. The Opposition does something about it.

In those days, the SGIO was an immediate and outstanding success. The cost of workers' compensation was immediately reduced with rates substantially below those formerly charged by the largley overseas-owned insurance companies. Benefits paid to insured workers were doubled, paperwork was reduced, and workers' compensation was provided without the expense of court proceedings.

No doubt because of the overwhelming success of this enterprise, the 1916 Insurance Act was passed. It enabled the Government to conduct any class of insurance that it so desired. The name of the insurance office was changed to the SGIO and an insurance commissioner was appointed.

There were two aims of the Government in setting up the SGIO—this deals with the crux of the matter—

(1) To give immediate benefits to the public by reducing premiums by at least 15 per cent below the uniform tariff adopted by the private insurance companies; and

(2) return investment funds within the State for developmental work within the State.

As it turned out, in 1918 the SGIO was able to offer house insurance at one-third below the rates of the private companies, and fire and other insurance was offered at 20 per cent below. One does not see that occurring today.

Bernays, in his Queensland parliamentary history, said this of the success of the SGIO—

"As a State enterprise, who shall dispute the remarkable success of this venture. There is no hesitation whatever in giving credit to the Labor Government for having conceived such an institution and for having allowed it to be managed on such up-to-date principles without any undue interference and apart altogether from political consideration."

For the benefit of the Deputy Premier and Minister Assisting the Treasurer, I point out that T. J. Ryan also endeavoured at that time to establish an iron and steel works in Queensland, but the tories in the Legislative Council tossed the Bill out. The Minister is still struggling to do what Ryan wanted to do in 1916. It was rejected by the tories of the day.

Appropriately enough, the success of that socialist enterprise—the formation of the insurance company—was noticed elsewhere. During the Depression, when the New South Wales private insurance companies refused to take on workers' compensation insurance, J. D. Lang, the Premier of New South Wales, set up the Government Insurance Office to do the job.

No-one can dispute the success of the SGIO. Its contribution to State finances and its contribution to Queensland's economic development are part of the record of this State. However, it is time that the board examined the role of the SGIO.

As I said, when the Ryan Labor Government set up the SGIO it had two aims. The first was to provide insurance at the lowest possible cost. That apparently has been forgotten by the board because now, and indeed for many years, the premiums and cost of insuring with the SGIO are and have been virtually identical with those of any other insurance company. The SGIO offers no benefit to Queenslanders over and above any other insurance company in terms of lower premiums and lower cost insurance. Anybody writing to the SGIO these days receives the standard answer received from any other insurance company.

Mr Gunn: All the profits go back to the State.

Mr BURNS: I will deal with that in a moment. I am a believer in State enterprises. The Deputy Premier is not. He is the free enterprise man. He should not be quoting my arguments. He ought to quote his own.

It has been a deliberate policy of this Government and of the SGIO conveniently to forget about the original purpose for its establishment, which was to reduce insurance costs. Every time a flood, fire or natural disaster occurs, the insurance companies, including SGIO, talk about having to charge the ordinary person in the community increased premiums.

The SGIO is no longer a pace-setter, offering the lowest cost premiums. It is just one of the mob. It is now just another insurance company, determining rates and premiums in conjunction with—I will not say "in collusion with"—other insurance companies and according to what it perceives as the market rates.

I am not suggesting that the SGIO should set premiums at a level which are below cost or imprudent. What I am suggesting is that the SGIO no longer views its role as providing the cheapest possible insurance to Queenslanders. It is more concerned about making a substantial profit.

The second original aim of the Ryan Labor Government in setting up the SGIO —and this is the one mentioned by the Deputy Premier—was to keep the investment funds within Queensland to promote development. That is a pretty broad aim. The SGIO has pumped hundreds of millions of dollars into Queensland's development. We are told that the SGIO has an investment portfolio of approximately $1,000m and that during 1982-83 new investment totalled $109m.

Some of the investment activities have been outstanding. Without SGIO involvement, many projects may not even have got off the ground. The Sheraton Hotel is one example. Other investments include the Crest Hotel, the Carindale real estate development in the electorate of Chatsworth and the participation in an authority to prospect for the South Gregory coal deposit.

However, I question the benefits of investing in established projects and activities. The SGIO bought the Crest Hotel when it was in financial trouble. A great deal of money had to be spent on extending and developing the Crest into the modern hotel that it is today. The SGIO bought the hotel when one of the Government's friends was in trouble. Just recently the SGIO bought Lizard Island. A great deal of money has been spent on its development, too. What is happening is that a socialist enterprise is being used to prop up the failing private enterprise meanderings of Government supporters.

Why, for instance, did the SGIO buy up Pacific Village in Coolangatta? I know that the SGIO wants to increase its stake in tourist facilities, but it does not assist Queensland tourist development by buying up existing complexes. Why is it not devoting its entire attention to new projects?

I question also the purpose of holding such large parcels of shares in so many companies, most of which have nothing to do with Queensland. An article entitled

"Focus on the Markets" in the finance section of "The Sunday Mail" of 20 January 1985 listed the SGIO share-holdings in many companies that have nothing at all to do with Queensland. The original concept was that the money be spent in Queensland. I am not arguing against share-holdings. The SGIO has to be in the market-place. However, I am questioning the extent and the purpose of those holdings.

Of course, we are well aware that political interference in the operation of the SGIO particularly in relation to the acquisition of Evans Deakin Industries shares, has led to massive losses. The SGIO must have sustained a paper loss of about $6m on its EDI holdings. Judging from the fortunes of EDI, the SGIO has no apparent hope in the foreseeable future of getting its money back. The EDI share bungle was one of the classic examples of incompetence by this Government. In an attempt to keep southern raiders out of Queensland, the Government and other white knights, such as the politically directed SGIO, barged into the market, bought millions of shares and sent the price through the roof. As soon as they stopped buying, the value of EDI shares collapsed and has not stopped sliding since; hence the $6m loss.

Ironically, one of the southern raiders, Australian National Industries, in a deal with the Queensland Government, sold its shares for a $1m profit, which it promptly used to buy up Bundaberg Engineering. The Government and the SGIO should be still licking their wounds. No doubt the EDI fiasco is the reason why the Government has not shown the same concern about the threat to MIM from the Western Australian raider Holmes 'a Court.

So what is the investment policy of the SGIO? The Ryan Labor Government was meticulous in not politically interfering in the operations of the SGIO, but not so this Government. Although the board is theoretically independent, I am sure that it would listen sympathetically to any Government request.

I have been told of the story about Sir Edward Lyons telephoning from Channel 9 and saying that he wanted $40,000 worth of advertising from the State Government Insurance Office, The Queensland Tourist and Travel Corporation and Castlemaine Fourex to fund the telecasting of the Sheffield Shield cricket match that was played at the end of the season. That kind of demand being imposed on the SGIO by one of the Government's standover men for money to be expended on advertising is simply not acceptable. Although I have said that the SGIO is theoretically independent, it listens very closely and sympathetically to any Government request.

Mr Casey: Do you think that the Government wants to appoint Sir Edward Lyons to the board?

Mr BURNS: I would not be surprised, because he is a member of the board of practically everything else. The stage has been reached at which the investment policy of the SGIO is indistinguishable from that of many other companies. And some of the projects and companies in which the SGIO has millions of dollars invested have dubious developmental benefits for Queensland.

With regard to the sponsorship policy of the SGIO such as the Commonwealth Games, the SGIO Games and Art Awards—they are excellent projects. I have gained the impression that, in addition to those projects, which have great merit, the SGIO offers support for community activities. As an SGIO share-holder—not a share-holder, but an investor or a policy-holder—I said that I was pleased to see the SGIO involved in that kind of activity.

Mr Gunn: Then you are a share-holder.

Mr BURNS: I suppose that is so. I get the impression that the SGIO is too often called upon to carry the can when other private sector support for community activities is not forthcoming. I also get the impression that it is often the case that if it were not for the involvement of the SGIO, in instances such as Sheffield Shield cricket, the community would not be provided with that kind of entertainment. I think that the

SGIO ought to be able to make commercial decisions in its own right, and I do not think that members of the board should be subject to political pressure or Government interference in such matters.

I hope the SGIO is not called upon to fund an Expo pavilion or facility because somebody pulls out. That rumour has already been floated round the place.

I must congratulate a recent move of the SGIO in purchasing an increased shareholding in the Bank of Queensland. A Labor Government would have done exactly the same thing, only sooner, and it would not have waited as long to utilise that shareholding.

The Bank of Queensland has served Queensland well, but its resources and its ability to compete fully and to provide an effective State-wide banking service has been limited. The Bank of Queensland should be made into an effective State bank. In many ways, it already unofficially performs this role, but in a very limited fashion.

A great opportunity was missed by the Queensland Government. Because of that, Brisbane was the only capital not to get a foreign bank headquarters, and there is only one reason for that—the bungling of the Queensland Government.

The SGIO and the Bank of Queensland could easily have gone into partnership with a foreign bank and obtained immediate access to both expertise and capital, but Queensland failed because of the incompetence of this Government.

The Premier and Treasurer and the Deputy Premier and Minister Assisting the Treasurer, relying on how business is done in Queensland, thought that they could just ring up Canberra and issue a few threats. They thought that this would do the job in getting a foreign bank for Queensland. The Deputy Premier and Minister Assisting the Treasurer made a laughing-stock of himself when he sent a telex to the Federal Treasurer last July asking for at least one, and preferably two, foreign banks.

Queensland did not even bother to put in a submission to Canberra, as every other State did, on why it should get a foreign bank. The Government was not even interested. The Government only ran in the last few weeks, when it was all over. Then, at the very last moment, just before the closing of applications, a very substandard—and obviously rushed—proposal from the Queensland Government and Mitsui landed in Canberra. Mitsui did not even approach the Federal Government about its application, and in fact let it be known to the financial press that it was not very interested in setting up a full banking service. It was only interested in a possible future merchant banking operation.

Mr Simpson interjected.

Mr BURNS: If the honourable member could read, he would understand these things. One of these days he will learn to read, and then he will understand.

Obviously, the Government talked Mitsui into putting in a joint application. Mitsui, for its part, is pleased that that application did not get anywhere.

This episode not only shows the incompetence of this Government but it also shows the lack of ability to capitalise on opportunities. The opportunity that the SGIO had been afforded to establish a foreign bank headquarters in Brisbane was lost for ever. Brisbane is now the financial backwater of Australia because of the incompetence of the National Party Government.

Hon. Sir WILLIAM KNOX (Nundah) (3.9 p.m.): I am pleased to support the legislation that is presently before the House. The Bill simply provides for an increase in the size of membership of the board. Presentation of the Bill gives honourable members an opportunity to speak about the quality of work performed by the board and the way in which it operates.

I know the two private-enterprise representatives on the board. They are very highly regarded in the legal and financial community, and have been for some time. Their contributions to the board have been of the very highest order, and I trust that the Minister has in mind a third person of similar stature in the community who will be able to add his or her expertise to the board, which plays a very important role in the economy of this State.

I know that the ALP has a sort of article of faith about the SGIO and regards it as its private baby. It is true that the SGIO was set up during the term of a Labor Government, but the Government insurance offices in other States and, indeed, in Canada and a number of other countries which are democracies and not totalitarian regimes have been based on the premiums that people contribute to those insurance operations.

As much as the ALP would like people to believe that the SGIO is a State enterprise, it is not. It is true that the State Government has more than usual influence on the board, because public servants are members of the board and they receive their riding instructions from Treasury, as should be the case.

Mr Casey: If it is not a State enterprise, why do we need legislation?

Sir WILLIAM KNOX: Insurance companies are governed by legislation, but the legislation in this case happens to be a charter established for the SGIO by this Parliament. That does not mean that it is a socialist State enterprise. After all, a number of enterprises in this State have charters established by this Parliament. The most recent example is the Expo 88 Authority. That is not a State enterprise but a private enterprise set up under a charter of this Parliament. Another such private enterprise in the State is the SGIO Building Society. So it is obvious that there are a number of such enterprises which are not State enterprises.

SGIO funds come not from consolidated revenue but from the policy-holders, who range from huge enterprises, including international enterprises, through to State enterprises such as statutory authorities and a host of varied organisations in the community.

Workers' compensation used to be the province of the SGIO, but I do claim some credit for separating workers' compensation from the SGIO and placing it under its own authority. That action enhanced the opportunities of the SGIO to behave more as an insurance company should and also enhanced the ability of the Workers Compensation Board to do the job for which it has a special charter.

So the State Government Insurance Office, although it has the words "State Government" in its title, is built upon the premiums of its policy-holders and its investment of those funds. It has been a successful operation and is very highly regarded in the commercial world throughout Australia. In my experience as Treasurer—I am sure the Deputy Premier and Minister Assisting the Treasurer would have had the same experience—it was, and it is very highly regarded internationally for the way in which it runs its affairs and conducts its investment policies.

Mr Davis: Why is it Liberal policy to get rid of it?

Sir WILLIAM KNOX: It has never been Liberal Party policy to get rid of it; I can assure the honourable member of that.

I had hoped to have here a copy of the latest report of the SGIO, which was tabled not so long ago, but for some reason or other it has not come to hand. However, the fact is that that annual report, which is tabled and is available for perusal by all members, tells an excellent story. Past boards and the present board can take great credit for the quality of its management. The people who work there are of a very high standard indeed. Queenslanders were fortunate not so long ago to have the SGIO when a number of building societies went to the wall.

Among those building societies in dire trouble was the Trades Hall Building Society. As the name implies, it was run by the trade union movement. Queensland was indeed fortunate to have the backing of the SGIO, otherwise many people would have lost their savings, which are really investments. I was the Treasurer in those very harrowing, difficult times. I repeat that Queensland was fortunate to have the SGIO with its expertise and strength to help save those building societies.

I take this opportunity to pay a tribute to the work done by the SGIO in recent weeks relative to the hailstorm that hit various parts of Brisbane. All of my electorate was affected by that storm. Without exception, the 20 000 houses in my electorate suffered window or roof damage. In addition, houses in the contiguous areas and houses on the southside of Brisbane were sorely affected. About 40 per cent of the claims lodged in the area were made on the SGIO. That indicates the high percentage of business enjoyed by the SGIO in the area. SGIO officers were on the scene promptly next morning to assist people in making claims and in telling them how to take the next step to look after their interests. My office was open throughout that troublesome time, and I was out listening to people's problems so that I could help sort them out. I did not receive a complaint about any insurance companies, including the SGIO, relative to that storm damage. The SGIO officers acted promptly and gave extremely helpful advice.

People who visited my office after having their claims settled have had nothing but high praise for the way in which matters were attended to. I thought I should place those remarks on record during this debate. I pay tribute to the officers of the SGIO for the way in which they handled matters during that very difficult period. It is not over yet. About a third of the houses in my electorate still require attention. Some are waiting for glass for windows and many houses still have tarpaulins on roofs. The total storm damage will cost about $150m, and a substantial part of that cost relates to houses in my electorate. The prudence of home-owners in taking out insurance has been well rewarded, and the SGIO has been foremost in rendering assistance.

The SGIO has a huge range of investments. I heard the member for Lytton complain that the SGIO was investing in companies outside the State. I should hope that policy-owners would expect the very best return on their investments. If it is prudent to invest in companies that operate outside the State, or outside the nation, that should be done. It is stupid to say that the SGIO should accept the lowest possible return on its investments. The SGIO should invest according to its charter, which imposes certain limitations. In that way, the policy-holders gain the benefit. Thanks to its wise investments, the SGIO has the ability to meet the claims lodged as a result of the hailstorm. It is important that that should be so, otherwise there would be real problems for policy-holders in the way of future premiums.

The wisdom of the board of the SGIO in investing substantially in a range of companies has been of benefit to the SGIO and also to those companies. Those companies are very happy to have the SGIO as an investor, because they know that, should a raid be made on them, they have a potentially friendly investor.

When the board of the SGIO announced that it would buy increased shares in the Bank of Queensland, the board of the Bank of Queensland welcomed the move. It recommended that the offer be accepted. That is usually what happens when that sort of operation takes place.

I congratulate the board of the SGIO on the way in which it is handling the affairs of the office. I trust that the Minister, when he makes the next appointment to the board of the SGIO, will find a person of stature and calibre equal to that of the people who have served on the board in the past.

Mr CASEY (Mackay) (3.21 p.m.): I was rather amazed at some of the comments of the leader of the Liberal Party; but they fit in with some comments that I will make later about the Deputy Premier and Minister Assisting the Treasurer (Mr Gunn), who is in charge of this legislation. Somehow or other, the honourable member for Nundah

(Sir William Knox) tried to indicate that he believed that the SGIO is not a State enterprise. If it is not, this Parliament would not be amending this legislation. The honourable member said that the report of the SGIO is tabled and ordered to be printed in this Parliament. If it were not a State enterprise, that would not be necessary. The insurance fund is set out in the Treasurer's financial statements that also are presented to this Assembly. They clearly cover the funds of the SGIO. Unquestionably, the SGIO is an enterprise of the State of Queensland. It is operated on behalf of the people of Queensland by the Government of this State.

The SGIO was created by a Labor Government. For the first time in their lives the workers of this State were given a fair go with insurance. The SGIO did become the leader; but, unfortunately, in some instances it is now leading the insurance industry in the wrong direction. For insurance purposes, initially, the SGIO was a great protector for the people of this State. That is what the SGIO was given a charter to do; it was not given a charter to handle the investment portfolio of the Government. Sure, I accept that, of necessity, any insurance company has to have an investment portfolio to maintain its profitability and to operate on behalf of its policy-holders. Also, it must look after its policy-holders, because they contribute to its finances.

In one area, in particular, the SGIO is failing to look after its policy-holders. I refer to the policy-holders in the cyclone areas of north Queensland. They are getting one of the roughest, rawest deals that any people in this State could receive. Unfortunately, the SGIO is the leader in giving them that rough deal. It is setting the pace for other insurance companies to follow, whereas it should be operating in the other direction. It should be equating insurance premiums throughout the whole State, rather than adopting a two-zonal system.

In the last 10 to 15 years, household insurance has changed, and changed dramatically. Rather than offer people basic fire insurance, storm and tempest insurance, hail-damage insurance, glass insurance, and special insurance for electrical goods and household goods and for floods, most insurance companies lump all those types of insurance into what is commonly known as a householder's policy. It is a good policy. People know exactly where they stand. All of those types of insurance that I have mentioned, including insurance for water damage from burst pipes, are included in that policy structure. It is the one policy structure.

As you, Mr Deputy Speaker, would be well aware from the locality in which you live, a large group of people produce much of the export wealth of this State. Those people find that, because they live in the remote northern areas of the State, they are penalised by the State Government Insurance Office through the insurance premiums.

Earlier this session, I asked a question of the Deputy Premier and Minister Assisting the Treasurer (Mr Gunn) about those higher premiums, and he admitted that loadings were applied in cyclone areas and that people in such areas paid a higher rate of insurance. It is my submission that the chance of damage occurring to the Deputy Premier's property in the Lockyer Valley is as great as the chance of damage occurring to your property in the Herbert River Valley. The record shows clearly that the Deputy Premier runs a more substantial risk from storm damage than you do, Mr Deputy Speaker, from cyclone damage in north Queensland. However, because you are a northerner, you are penalised. National Party members from the south-eastern corner of the State now dominate that party and, as a result, legislation that favours them is introduced.

Basically, the two cyclone zones that apply for insurance purposes start from the Tropic of Capricorn and go up the northern coastal strip. Some insurance companies include the city of Rockhampton in those zones; others do not. The cities of Mackay, Townsville and Cairns, the communities and townships between them to a distance of 40 to 50 miles inland, and all of Cape York are included in the cyclone zones. Variation can be found in the rates applying to the different cities. However, the SGIO imposes on a timber dwelling-house a special cyclone loading that is two and a half times the premium that would be paid in Brisbane, Bundaberg, Maryborough, Gladstone,

Toowoomba and all other areas south of the magical line that has been drawn. People in the cyclone zones are charged three times the premium to insure a brick dwelling.

Insurance companies do not grant concessions if, for example, a dwelling-house is in a high rainfall area, which would be likely to reduce the chance of a dwelling being destroyed by fire; the rain might put the fire out. Reductions are not offered in cyclone-designated areas even if a building conforms to the stringent structural standards required by the local authorities. It must be pointed out that those standards do not apply in the south-eastern corner of the State. It is estimated that, on average, the additional cost of building a cyclone-proof dwelling is between $1,200 and $2,000. Even if the house is cyclone proof, no reduction in insurance premium is offered.

The policy of charging higher premiums for dwellings in cyclone areas is unfair and iniquitous. It divides the people of Queensland into two categories. People who move into northern areas from other States or from southern Queensland are amazed at their first insurance premium, particularly if their dwelling is insured with the SGIO.

I know from speaking with my colleague the honourable member for Nudgee (Mr Vaughan) that, as a result of the storm that hit Brisbane a month or so ago, buildings in his electorate are still damaged, repairs have not been commenced and, in many cases, the damage has not been assessed. It is estimated that that storm caused damage worth between $100m and $120m. No occurrence in the cyclone area of north Queensland has caused as much damage.

Earlier I spoke of household insurance. According to the records of this State on the effect of natural disasters on the house-holders of Queensland, the two biggest disasters were the Australia Day floods in Brisbane which, on today's value, cost insurance companies approximately $240m, and the recent storm in Brisbane, which came on top of a smaller storm in January. The damage from the first storm was still being repaired when the second one hit. They are the two highest recorded insurance pay-outs for natural disasters in this State.

From the Minister's own admission in answer to a question I asked of him in this House only a month or so ag6, the cost of the damage caused by cyclone "Althea" in Townsville and cyclone "Ada", which hit the Whitsunday Islands/Proserpine area north of Mackay, pale into insignificance in comparison with the cost of the damage caused by the two natural disasters that have occurred in Brisbane. Yet it is the people of north Queensland who are paying the additional loadings on their premiums. It is now being said that, because of the major pay-out by insurance companies in the south-east corner of the State for last month's storm, premiums will be increased again in north Queensland. The people of north Queensland already pay two-and-a-half times or three times more than the people of Brisbane in storm and tempest insurance premiums to meet the costs of insurance claims in Brisbane. That can hardly be called fair. It could be nipped in the bud very easily by the SGIO setting the trend of looking after all of the people of Queensland on an equal basis. Because it is much easier to do this in the operations of small companies, some of them have already adopted that practice. The SGIO could also do it.

When I publicly made my initial criticism in January, before the big storm hit Brisbane, the Insurance Council of Australia rushed to the defence of all of its members. The March bulletin of the Insurance Council of Australia contains a photograph of Tommy Hanlon, Jnr, whose circus was wiped out by that storm. One of the pages in that bulletin has a map of Australia with a cyclone hovering over the top of it.

The article claims that, between 1967 and 1985, six major cyclonic events causing large pay-outs have occurred in north Queensland. I challenge the Insurance Council of Australia to tell me where they occurred. I know two, and two only—cyclone "Ada" and cyclone "Althea" I do not know whether any other member of a northern electorate can add to them. I agree that, in 1979-80, I think it was, cyclone "Kerry" was off the coast and a bit of wind blew the roof off a building in Mackay. That caused $120,000 worth of damage. One would not really call that a major pay-out. A few other small

cyclones have travelled backwards and forwards up the coast, but they certainly have not been major events. That completely discredits the Insurance Council of Australia and what it is publicly trying to tell the people of Australia. That council is deliberately deceiving the people of Australia. Is it any wonder?

I can show honourable members something from its own publication that immediately discredits that body. As I have already indicated to the House, the bulletin from that council features a satellite weather map of Australia with cloud cover that is obviously an indication of a cyclone. Because of nightly television reports, many people in the State know what cloud associated with a cyclone looks like. The article claims that this photograph depicts cyclone "Tracy" as it ripped through the north of Australia on Christmas Day, 1974. All honourable members know that cyclone "Tracy" hit Darwin, the capital of the Northern Territory, on Christmas Day, 1974. However, what does the picture show? The cyclone is slap over the top of Cape York, which is a darned long way from Darwin, where cyclone "Tracy" actually hit. That shows how much the Insurance Council of Australia really knows about north Queensland—three-fifths of five-eighths, and honourable members know the rest of that story.

Mr R. J. Gibbs: Insurance companies are the best salesmen of regulated rake-offs that you would ever want to meet.

Mr CASEY: That reminds me of the old story that no-one needs endurance like the man who sells insurance, or the person who has to buy from him.

Some insurance companies do not know what is going on. They are not giving a true account of the situation to the people of Australia. They are certainly trying to deceive the people of Queensland. I can assure the honourable member that they do not deceive north Queenslanders.

To return to the responsibility for the State Government Insurance Office (Queensland) Act—the Deputy Premier and Minister Assisting the Treasurer nodded his head when the honourable member for Nundah (Sir William Knox) referred to the SGIO as not being a Government responsibility. A couple of years ago in Mackay the Minister expressed that view. Unfortunately, I do not have the newspaper article with me now. However, the Minister, who then held a different portfolio, was lambasted by a group of small-businessmen because of the SGIO ownership of the Canelands Shopping Centre in Mackay, which is a major shopping centre. He was lambasted by the small-businessmen about the way in which, through Kern Brothers, the managers of the shopping centre, the SGIO, was forcing exorbitant rents on the retailers and about the problems that they were experiencing.

The city council criticised the Minister about the way in which valuations had been determined. The council was not receiving a fair deal on the rates paid on the property owned by the SGIO. The local big-businessmen also lambasted the Minister because they were paying higher rates on their central business properties than the SGIO, a Government instrumentality, was paying on its shopping centre. Amazingly, at the time, the Minister said, "It has nothing to do with me. It has nothing to do with the Government. We do not have any say or control over the SGIO."

The latest Queensland Government Directory for 1985 is hot off the press. In that publication, Mr Gunn's photograph appears as the Deputy Premier and Minister Assisting the Treasurer. Under the list of Acts for which the Minister is responsible appears the State Government Insurance Office (Queensland) Act. The Minister is sitting in the Chamber today to oversee the passage of this Bill through the Parliament. The duties of the Deputy Premier and Minister Assisting the Treasurer include responsibilities in respect of the State Government Insurance Office. The Minister cannot dispute that. According to the Government's own publication, the Deputy Premier and Minister Assisting the Treasurer is condemned as being somebody who does not know what he has to look after; or was he trying to dodge those businessmen in Mackay on the occasion to which I referred?

Mr Gunn interjected.

Mr CASEY: I do not think that there are very many members inside or outside Parliament who would agree with the comments that he is making. These days, Government back-benchers laugh at the Deputy Premier when he tries to answer questions.

There is talk that the SGIO is not a Government instrumentality. However, reference is made to it in the Queensland Government Directory 1985. The SGIO is listed with the Golden Casket Art Union. I hardly think that the honourable member for Nundah could say that the Golden Casket Art Union is run by an independent, outside authority which is not responsible to the Government. The Deputy Premier is also responsible for Gold Lotto. The Casino Control Division is also a responsibility of the Deputy Premier. The Soccer Pools and other organisations from which finance is derived by the State of Queensland are listed in the publication. The SGIO is lumped amongst them. The responsibility for the SGIO lies squarely at the feet of the Queensland Government through the Deputy Premier and Minister Assisting the Treasurer. Also at his feet lies the responsibility for two groups of Queenslanders—north Queenslanders, who are treated as second-class citizens as far as insurance premiums are concerned; and people in the rest of the State. I have referred to the way in which the SGIO has been set up and the way in which the Government is maintaining it.

Hon. W. A. M. GUNN (Somerset—Deputy Premier and Minister Assisting the Treasurer) (3.39 p.m.), in reply: I thank honourable members for their contributions. The Deputy Leader of the Opposition (Mr Burns) said that the SGIO had its birth during the Ryan era. I will not argue with that. Whether the principle was right or wrong, the fact of the matter is that the SGIO has done a terrific job for Queensland. I repeat that time and time again. The money earned on everything that is invested in SGIO policies comes back to this State. That is a matter of great importance. The money does not go to the head office of an insurance company in Melbourne or in any other city; it stays in Queensland.

The Deputy Leader of the Opposition (Mr Burns) referred to a number of SGIO investments. He mentioned Carindale, the Crest Hotel and the new Sheraton Hotel. They are but three of the company's substantial investments.

The SGIO is in competition with other companies. The Deputy Leader of the Opposition referred to the cost of premiums, but he omitted to say that very few companies today accept compulsory third-party motor vehicle insurance. I think that there are only two in Queensland—FAI and the SGIO. There is no money in that business. Those companies suffer severe losses.

Mr Burns: AAMI is advertising very strongly for the business.

Mr GUNN: The two principal firms, as the member well knows, are the SGIO and FAI. The business is not lucrative. The SGIO loses heavily. The large court awards are well known.

The SGIO is not only Tom Burns and Bill Gunn. It has thousands of policy-holders throughout the State. We consider that we are share-holders in the SGIO. The Government likes the fact that the SGIO invests all of its money in the State of Queensland. Last year in loans and debentures, it invested approximately $12m in local government. The SGIO is a Queensland firm which works under a Government charter. I am proud to be associated with it.

The honourable member for Nundah (Sir William Knox) mentioned the excellent members of the board. I agree entirely. They are very successful people. They have done a magnificent job. The additional member will be a very successful businessman.

Mr Davis interjected.

Mr GUNN: It is not the member for Brisbane Central. He would be last on the list.

Mr Davis: What political affiliation?

Mr GUNN: I will not waste time with him, Mr Deputy Speaker.

The SGIO is a commercial enterprise, competing with a number of other insurance companies in Queensland. It is no accident, though, that it is the leading insurer in Queensland. It is held in the highest regard. It has a massive investment portfolio, not only in property development but also in loans to local government. If it were not for SGIO loans, many country areas would not have water supply and sewerage.

The honourable member for Mackay (Mr Casey)—and it came as no surprise—referred to premiums in cyclone areas. That point has been answered in the House. He has all the details. His is a cyclone-prone area. He mentioned the Brisbane floods and the recent storm. Eventually, I suppose, those factors will be taken into account by the insurance companies, which suffered heavy losses, when future premiums are set. The member for Mackay mentioned my area. It is certainly not storm prone. I do not know why it happened, but, in a storm two years ago, I was one of the few to lose part of my roof. My family has been in Queensland since 1865 and it is the first time that we have made a claim of any magnitude on an insurance company. That surely proves the point about my region.

I thank honourable members for their contributions. The Bill makes a small addition to the Act, merely to provide for an additional person on the board. As I said in my second-reading speech, because the SGIO is expanding, it was considered absolutely necessary to do that.

The Bank of Queensland was mentioned. I fully supported the moves made by the SGIO on that occasion. I am sure that every other honourable member supported the moves, too.

Motion (Mr Gunn) agreed to.

Committee

Clauses 1 to 3, as read, agreed to.

Bill reported, without amendment.

Third Reading

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

RACING AND BETTING ACT AMENDMENT BILL

Second Reading—Resumption of Debate

Debate resumed from 20 March (see p. 4191) on Mr Gunn's motion—

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

Mr BURNS (Lytton) (3.47 p.m.): In his second-reading speech, the Deputy Premier and Minister Assisting the Treasurer said that the Bill provided further amendment to the provisions of the Act that was passed last year to provide for a reduction in the rate of turnover tax paid by book-makers fielding in the Brisbane metropolitan area and at Ipswich Saturday race meetings. When the tax was reduced, the opportunity was also taken to supplement the funds available to the Racing Development Fund by increasing the contributions paid from totalisator operations. The Minister went on to say—

> "However, in making these amendments, section 116 of the Act, which also relates to contributions from totalisator operations to the Racing Development Fund, was overlooked. The purpose of this amendment is simply to rectify that error.
>
> The present amendment also validates payments made to the fund at the increased rate in case there may have been any doubt raised as to their legality."

The amendment is supposedly of a machinery nature. In theory, that is the case, but in practice it is not. The amendment should have been brought forward last November when the Racing and Betting Act was amended to take in the provisions of section 116 (3) (a) of the Racing and Betting Act, which reads—

> "(a) one-half per centum of the amount of all investments included for the calculation of dividends on totalisators operated by or on behalf of clubs or by the Totalisator Board;"

Honourable members have heard so much about the wizardry of officers of the Queensland Treasury Department, but on this occasion "Hielscher's hired hands" were unable to get their act together. Or should I say that, on this occasion, "Leo's learned lads" are perhaps not the Treasury gnomes that they thought they were?

This legislation is necessary because of the deeply ingrained differences that exist in the National Party. An example of such a difference occurred this morning between the Minister for Local Government, Main Roads and Racing and the Premier and Treasurer over the administration of the racing industry.

The differences I referred to involve the present Deputy Premier and Minister Assisting the Treasurer, who introduced the Bill, and the Minister for Local Government, Main Roads and Racing. It is well known that both Ministers were pretenders to the throne of the Premier and Treasurer, but as a result of the fiasco that involved Sir Edward Lyons, I feel that Mr Hinze has blown in the betting, if I can adopt that phrase from the Racing and Betting Act.

The two Ministers and their departments co-operate to the least extent possible. Had communication taken place about the presentation of this important legislation, and, more importantly, had the respective departmental officers communicated, the incompetence that has resulted in the presentation of the Bill would not have occurred.

Demarcation disputes are a feature of the trade union movement, but a double demarcation dispute exists over the legislation that has been brought forward. On the one hand, a demarcation dispute at ministerial level has occurred between Mr Hinze and Mr Gunn. On the other hand, a demarcation dispute is being engaged in between departments, namely the Treasury Department and the Racing Section. I have previously raised grave issues that relate to the National Party bag-man and confidante of the Premier and Treasurer, Sir Edward Lyons.

I have only to refer to Mr Hinze's words in this Chamber and elsewhere to illustrate his contempt for Sir Edward Lyons. The divisions in the Government and in the National Party that this legislation symbolises make differences in the Labor Party look like a kindergarten picnic.

In simple terms, this machinery amendment would never have been necessary if there was co-operative effort by National Party Ministers and their respective departments. That is the real problem with racing today. No-one seems to be able to make decisions about the racing industry. It faces real problems. For instance, the Fine Cotton affair dragged on for some time. The principal racing club did not seem to be able to grasp the nettle. When the Minister wanted to set up a royal commission or a commission of inquiry, the club did everything it could to frustrate him. It is well known that the dogs were barking that horses could be rung in in races in Queensland, and that this was the State in which the administration was so lax that that sort of thing could be done successfully.

Very recently, an incident occurred at the trots. These days they might be known as the trots, but I remember them as the "red hots" One day at the Redcliffe trots the fellow standing next to me had done his money on the favourite, and before he walked away he said, "No wonder they call them the red hots." And they are!

As recently as the 18th or 19th of this month, charges were laid against trotting drivers. Members have heard of the foxtrot; but this race was so slow that it was called the "slow trot" It was so slow that if Russ Hinze had on high heels he would have

beaten the favourite round the back straight. After the Carlton Draught Stakes the punters hooted and carried on and almost pulled the fence down.

A few days after the race stewards called in the drivers. After the inquiry, they fined the reinsmen for dawdling. I nearly fell over backwards when I saw this headline, "Four reinsmen fined for dawdling race". The poor old punter had once again done his money. The race was a joke.

The driver out in front was the Racing Minister's driver, Darrell Alexander. He was driving the 7 to 4 second favourite. The favourite was tailed off last. The horses were virtually walking, and when the favourite finally made a rush, it was too late because the race was all over. The punters who put their money into that race are ripped off, but nothing happens. After that race the drivers were fined for dawdling. Is it any wonder that a policeman told the Fine Cotton ring-in hearing that Mr Haitana said, "Russ will look after me."?

The industry is in trouble. According to "The Bulletin", Mr Justice Williams is fighting with the Minister; the Minister is fighting with Lyons; the Minister is fighting with the Premier; the Deputy Premier and Minister Assisting the Treasurer and Treasury are fighting with the Racing Section about it. But nothing is being done to clean up the industry. Nothing is being done to help the ordinary decent trainers and punters. More people are charged in the racing industry with caffeine offences than are charged with drink-driving on week-ends. A great many people round the State are charged with administering drugs to their horses, but no-one seems to know what to do about it. One sees statement after statement by the Minister and by others that something should be done or that people should not be charged with that offence, but nothing has been done.

The problem in the industry arises very simply from the division in the Government ranks over who should be controlling racing. I believe that the Racing Minister's answer today to my question in relation to the TAB chairman signals the end of Russell Hinze's major thrust in the racing industry. He was nobbled today and the result will be that no more large amounts of money will be thrown round this State by the Racing Development Fund——

Mr Fouras: It is about time that stopped.

Mr BURNS: I think that those days are over and that Treasury will now take control. All members heard today's statement by the Minister for Racing, and I think that it signals the end of the power of Russel Hinze as Minister for Racing. I believe that racing will eventually be back under the control of Treasury.

Today's machinery amendment is necessary to repair the damage, as the Minister himself said, caused by an error made some time ago. That error occurred because the Racing Section and Treasury have not co-operated and worked together. Until such time as the Government gets its act together in the racing industry, this mismanagement will continue to occur. Not only will further Bills need to be introduced, but there will be more headlines in the newspapers about Fine Cottons and all the other problems that are experienced today by the racing industry.

Mr PREST (Port Curtis) (3.55 p.m.): In speaking to this legislation, the member for Lytton outlined very clearly what took place in November, when the Leader of the Opposition told the House that an amendment would be necessary to clean up the legislation. The Minister has told honourable members that a few little mistakes must be rectified.

I am concerned that the large sums of money that are paid into the Treasury and the Racing Development Fund from racing will decrease if the racing industry in Queensland is not cleaned up very smartly. In August last year, the Fine Cotton scandal brought to the notice of people in Queensland that all in the racing industry was not well. Since then, the number of people attending race courses has decreased dramatically. Punters are concerned that money invested on favourites with book-makers or the

totalisator may be wasted because the horses have little chance of winning. In these days, people in the know seem to be able to bet on outsiders that mysteriously and dramatically improve form and win races.

In the past few months, 100 horses have been found to be drugged in one way or another. Why is it that positive swabbing has come to the fore since the Fine Cotton affair? Would Sir Edward Williams say that the critics who slam racing do not know their subject, and that illegal acts are not taking place in the racing industry? What has he to say about so many trainers, owners, jockeys and horses being involved in doping scandals? Positive drug findings are being made on winners and losers throughout the State.

The Government should be very concerned about what is happening, but it has done little to clean up the racing industry. In the past nine months, similar scandals have been prevalent in Australia and the rest of the world, but little is being done to control them. Sir Edward Williams, the chairman of the QTC, slammed the critics who said that illegal acts were occurring in racing in Queensland.

After the Fine Cotton affair, Mr Haitana was eventually found. Prior to that, on 11 September 1984, the following news item appeared—

> "Coffs Harbor horse trainer Hayden Haitana would not appear before the Queensland Turf Club inquiry into the Fine Cotton ring-in, the Police Minister, Mr Glasson, said yesterday.
>
> 'When we get our hands on Haitana he will not be available to the QTC,' he said.
>
> 'We cannot stop the QTC from having their inquiry, which is in relation to a race. Our investigation is in relation to the fraud of the public and the QTC. There is no way we will allow Haitana to be available to the QTC.' "

Hayden Haitana was found. He had attended race-meetings at Southport and in other areas. I am still waiting to hear what charges the Minister for Lands, Forestry and Police has laid against Haitana and what action has been taken about his fraudulent activities in racing in Queensland. I believe that no action has been taken. Why?

The Minister for Local Government, Main Roads and Racing is an honest man and is doing a good job in his portfolio. I do not believe that he would do anything illegal in racing. He is a lover of horses, and he thinks too much of the game to be in anything shady. When the Minister stated that he would appoint a royal commission into racing in Queensland, why did the Premier and Treasurer intervene from London? An article in the press on 9 September 1984 stated—

> "Premier Sir Joh Bjelke-Petersen intervened from London to prevent a commission of inquiry into the Fine Cotton racing ring-in affair."

Who was he protecting? Surely he was not protecting Haitana. After hearing of the activities of the past few months, of the past week, and of today, in particular, I am certain that he was not protecting the Minister for Local Government, Main Roads and Racing. Sir Edward Lyons is a big name in racing in Queensland, as is another very close friend of the Premier and Treasurer, Sir Edward Williams, who is chairman of the QTC.

Mr Davis: And Gallagher.

Mr PREST: Mr Gallagher and many other people in the National Party are big names in racing in Queensland. There were big fish in the Fine Cotton scandal, yet nothing has been done about that matter. The man who would know least about racing in this State and about what is happening on racecourses in Queensland intervened and said, "No royal commission." I ask the Premier and Treasurer: Why did you intervene?

Honourable members have been given many reasons why hundreds of horses have returned a positive swab. Dr Ken Donald was sent to Hong Kong to find out what was happening with positive swabs in racing in that country. It was reported in the press

that people in Hong Kong said that maybe the odour from the coffee that was being drunk by the people in the building in which the laboratory was situated got into the air-conditioning system and was transmitted into the laboratory. Have honourable members ever heard of anything so silly?

Then there is the silly story about people in Queensland who gave their horses a small bottle of Coke. The Opposition laughed at the suggestion that a small bottle of Coke could affect the constitution of a horse in such a way that it would improve a horse's performance. Our children, who do not have the constitution of a horse, drink larger bottles of Coke and are not affected in any way. As I said, the Opposition laughed at that suggestion. It also laughed at the suggestion of one trainer, who said that after track work he would have a cup of coffee and throw the remains of his coffee on the grass, which the horse may have eaten.

Mr Davis: Why do not New South Wales, Victoria and the other States have a similar problem?

Mr PREST: Unfortunately, this is one of the things that the community has been told. Nobbling is taking place in Melbourne and Sydney as frequently as, if not more frequently, than in Queensland, but nothing is being done about it. Apparently, the Minister for Racing (Mr Hinze) has received information to that effect. I know that he is a responsible Minister, but I wonder whether he has forwarded his information to the the Australian Jockey Club or to the Victoria Racing Club to allow those bodies to investigate the claims that were made to him. I am certain that he did not do so.

An AJC analyst is convinced that caffeine is administered. A report reveals—

> "The Australian Jockey Club's analyst Peter Ashelford believes the deliberate administration of caffeine is responsible for the outbreak of positive tests in Queensland racehorses."

In other words, caffeine does not get into a horse's system from Coca-Cola and coffee. However, the practice is continuing and more horses are returning positive swabs after races.

On 13 January 1985, under the heading "Cream is final rub", an article stated that—

> "Yet another interesting sidelight to Queensland's rash of positive caffeine swabs cropped up yesterday.
>
> A prominent Brisbane trainer claimed at Eagle Farm yesterday that he had been told not to employ girls who used pimple cream.
>
> 'I'm told that the cream has something in it which would show up in a swab,' the trainer said.
>
> It may seem strange, but trainers who have already spent time on the outer because of recent positive swabs would not be laughing."

I do not know whether horses lick the cream off after it has been applied, but it is a good example of the silly things that are being said about racing in Queensland. Queensland must be the joke of Australia. It is no wonder that the Minister is concerned about how be can attract southern owners and trainers to Queensland's winter races. The longer the Minister and his department dilly-dally, the more serious the problem will become. Why are those in authority inactive? Why are they not taking more positive action to apprehend the culprits involved in this doping scandal in Queensland?

On 10 March, only 17 days ago, it was reported that—

> "Police believe they know the nobbler who has been stopping favorites in recent Brisbane races.
>
> Senior investigators said yesterday they had a 'particular target' in their investigations into Queensland's latest racing scandal. They described their top suspect as 'a man well-known in Queensland racing and trotting'."

They probably know, too! As the Minister for Lands, Forestry and Police (Mr Glasson) has said, when he gets his hands on Haitana, that man will not appear before the Queensland Turf Club; he will go before the courts for defrauding the public and the QTC. Although the police have identified the culprit as a well-known man in racing and trotting, nothing has been done, and that article is now 17 days old.

While this sort of a thing is allowed to continue, there will be a decrease in the size of the crowds—the people who really keep racing going—who go through the turnstiles and invest with the book-makers, who, in turn, pay the turnover tax which goes to the Government, or who invest on the totalisator—once again, the money goes to the Treasury or to the Queensland Racing Development Fund. The people will not be the victims all of the time.

As the honourable member for Lytton said, only a couple of weeks ago a great scandal occurred at Albion Park. The favourite and most of the rest of the field dawdled. The horse that was fairly well backed in the latter part of the betting and started as second favourite won the race. I shall not say who owned the horse and I cannot tell the House who got the money. Everybody must be concerned about that.

Racing is a very big industry. Those involved in it are concerned. The stage has now been reached when people who have bought horses are frightened to leave them unattended. Those people paid big money for their horses and are paying good money to trainers to protect and train them. Unfortunately, at the Jim Griffiths stables on the Gold Coast, a horse called Prince Frome was nobbled. Although it recovered from the nobbling very quickly, it has not since won a race. Two or three days later, a number of horses in an adjoining stable were killed. The investigations into those deaths revealed that strychnine or some other very strong poison had been given to those horses, which must have died terrible deaths in a very short time. The mystery surrounding the poisoning of those three horses on the Gold Coast has Queensland police baffled. Surely someone round the racing stable or in the neighbourhood would have seen anybody near those stables if it was done during daylight hours. Although the horses were virtually untried, they may have had some potential. Perhaps their value at that point of time was not as great as it would have been had they been raced.

I keep coming back to the matter of turnover tax, which relates to the Bill. Attendances at race meetings affect the amount of turnover tax that comes to the Government and to the Queensland Racing Development Fund. Anyone can go out into the community and hear of the problems within the industry and the TAB in relation to the appointment of the boss—Sir Edward Lyons—and the problems that he is having with the Minister for Racing (Mr Hinze). As the member for Lytton said, today was a sad day for the Minister for Racing when he had to give an answer to a question that was asked of him. The Opposition believes that he was pushed to the point of no return.

A Minister who has a very important portfolio, such as Racing, must be the person who controls it. He must be the one who has the say and should have the support of the Government in carrying out his duties. Unfortunately, at this point of time the Minister for Racing obviously does not have that support. It seems that the Premier, as he has done with legislation and many other things that have happened in this State, has the numbers and has brought in the heavies. That is exactly what has happened. Today's press states that Sir Edward Lyons will be appointed by regulation for another term.

The Opposition is concerned about those two matters. It is concerned also about the brawling between Sir Edward Lyons, Sir Edward Williams and the Minister for Local Government, Main Roads and Racing (Mr Hinze). The Opposition is concerned about the lack of action by the Queensland Government in relation to horse-doping in this State, which is Australia's greatest racing scandal.

Mr STONEMAN (Burdekin) (4.15 p.m.): I am delighted to have the opportunity to speak briefly in support of the Bill and to comment on the concerns expressed by the honourable member for Port Curtis (Mr Prest).

Queensland racing facilities and the support given to racing generally in this State are the envy of other States. I reside in an area in which there is a great deal of racing. Over the years, the North Queensland Racing Association area has received tremendous support. As one travels throughout that area, one sees the facilities and the clubs that have been established. The whole community is part and parcel of racing.

For many years, horse-racing was the only sport in many of the far-flung areas of this State. I recall being involved in picnic races 15 or 20 years ago. I could see the support that racing clubs could look forward to and are now receiving in this State. The Government not only recognises the sport of racing; it also recognises the need to provide facilities. Contrary to what the honourable member for Port Curtis said, the Government appreciates the need for controls—not Big Brother controls, but open and supportive controls. I commend the Government's initiatives towards improving race clubs.

I draw the attention of honourable members to some of the improvements that have been made or are in train in my electorate. The Home Hill Race Club was honoured by a visit by the Minister for Local Government, Main Roads and Racing (Mr Hinze). He opened stage 1 of the Home Hill Race Club development . A large number of persons attended a dinner that was held. The esteem in which the Minister and the Government are held could be seen by everyone. Regardless of party affiliation, people spoke to the Minister, members of the club and me and commented on the wonderful job that had been done. They stated how the development would never have taken place without Government support.

The Home Hill Race Club grandstand, which was incorporated in stage 1 of the development, involved a community effort. The club got together with a construction company, one of the sugar-mills and some of its employees. They did a wonderful job and completed something that will stand forever. It will be possible to make improvements continually without the project ever appearing to be an ad hoc development.

Stage 1 of the development incorporated a bar and a grandstand, which is yet to be roofed. All the work was able to be sorted out with the Minister's officers and put together in such a way that the Government's money could be distributed evenly as well as meeting the needs of the club at an increasing rate. The grandstand houses the ladies' toilets and the catering facilities. Previously, ladies were required to walk down across the flat, past the bar, to the toilets. They are now able to walk along a cemented area, obtain drinks and use the catering facilities. In the past, such a development would not have been possible.

A new photo-finish facility has been installed and a covered betting ring has been provided. Punters are now able to move round and bet in any month of the year, in hot or cool weather, and still enjoy the beautiful trees and other attractions that existed in the past and have not been affected by the new development.

I pay tribute to the past president of the Home Hill Race Club, Mr Bob Shoyer, and his secretary, Reg Winn, who is still very active in the club. Mr Maurie Finlay has taken over the presidency of the club. After many years in the Department of Primary Industries, Maurie retired recently. I am very pleased to say that he is continuing his interest in racing and also in the community in general.

During the Minister's visit, he inspected the facilities at the Ayr showground with a view to accommodating the request of the newly formed Burdekin Greyhound Club to establish a greyhound-racing facility. Many greyhound-owners in the north are unable to get a start at the only club in the area, which is at Townsville.

Many people do not appreciate how expensive it is to race horses and greyhounds. Greyhound-racing gives little people the opportunity to band together and, for a few dollars a week, run a dog. Gradually they become involved in the sport of racing. Perhaps later, as they become more affluent, they may move into thoroughbred-racing.

Because greyhound-racing is so popular in the north of the State, many are precluded from getting a start if their dogs are not accepted in Townsville. I commend David

Glasgow, in particular, and the Townsville Greyhound Club for their support of the formation of new facilities in the Burdekin. One will feed off the other. Dogs could be trialed at Burdekin. Successful dogs could then move to the bigger facility at Townsville. I repeat that the little battler or the person who does not wish to spend a great deal of money may have an interest in the sport through racing greyhounds.

When the Minister visited the showground, it was obvious to the chairman of the show committee, Mr Ron Parker, and the others who were present that it was not what the Minister had in mind. He was interested in all-year-round utilisation of facilities. Responsible Governments must always bear that in mind. It is not wise to construct a huge facility that will be used only spasmodically. If the club folds, the facility is out in the middle nowhere, deteriorating.

We then went to the Ayr Racecourse. The Minister said, "Why not set up a greyhound facility here?" On the face of it, that might have appeared to be a simple solution. It is a beautiful racecourse, with adequate water and plenty of room for a greyhound course. The problem is that that facility is also used by cricketers. In the middle of the racecourse are several cricket fields. Similar use is made of the Home Hill racecourse.

I do not know whether honourable members have ever been to a race-meeting at which three or four games of cricket are being played in the middle of the course. I would have thought it was unique. Later I will ask the member for Mansfield (Mr Kaus) whether he has ever had that experience. When the flashing light is switched on prior to the start of a race, all the cricketers, whether young or old, squat down until the race has been run. It is a wonderful sight, with the colours of the racehorses and the jockeys, the crowd and, out in the middle, sprinkled around like white geese, the cricketers. After each race, they continue with their game of cricket. That is a marvellous utilisation of precious facilities. Often a cricket ground is used only once a week, and then only during the cricket season. In the Burdekin, the facilities are used all year round. The planners ought to be commended.

The Minister suggested that the cricketers, the race club and the show committee could meet to determine how best a greyhound track could be developed. The Minister asked me to co-ordinate meetings, which I did, with the co-operation of the show society and the Ayr Race Club. The trustees are the ones really in command. Percy Newman has been a trustee for many years. He has done a wonderful job. The new trustees are identities of the district and known in racing throughout the north. They stand four-square behing what this Government is doing for racing. I refer to Les Miller, Bill Tudehope, Ron Favero, who is a well-known identity of the district, and the president of the club, Pat Kennedy. Those present were assisted by their very able secretaries and committees.

The Townsville Greyhound Racing Club members came with that group, and members of the Burdekin Delta Greyhound Club also attended, because that club's activities were the principal reason for holding the meeting. The shire council was represented by a couple of the councillors, and Dr John Trace, the chairman, and members of the Burdekin Cricket Association also attended. Part of the deal was that the development could not proceed until the turf pitches were relocated, the underground water supplies were set in place and, in general terms, the cricket ground had been set into the overall scheme of the development.

That was a unique combination of people involved, and it was accomplished only because of the attitude that is a characteristic not only of the Government but also of the Minister for Local Government, Main Roads and Racing through the administration of the Racing Development Fund.

It was finally decided that people could come together, and subsequently a visit was paid by Mr Ian Wade and Greyhound Racing Control Board officials. Obviously, the positive approach adopted by the Minister and the Government is reflected in the attitude evinced by that group of people.

Some weeks ago, a formal luncheon was held in Ayr. At that time, all of the features of the scheme were discussed, recommendations were made and plans were drawn up. The plans have gone forward to the department with the blessing of the Minister.

Without the attitude that was displayed by the Minister and the Government and the support that is given, particularly by the Minister, the things that have been accomplished would have been impossible. The spreaders of gloom and doom on the Opposition side have been quick to criticise.

Not every horse is involved in doping activities, nor is every person in the racing industry guilty of doing the wrong thing. However, the industry will have its share of scallywags, just as every sport has scallywags, and such people come and go. It is interesting to see that most of them have come from New South Wales. They have come to Queensland and done their dastardly deeds, and have gone back. Fortunately, they have been brought to account.

I cannot understand the attitude of the Opposition spokesman and Opposition members who display gloom and doom. That attitude is particularly noticeable when Opposition members refer to the economy of Queensland. What are they trying to do? Are they trying to tear racing apart so that the thousands of people who enjoy the facilities and enjoy the sport of kings will have that sport taken away? It seems to me that that will be the end result of what Opposition members have been espousing.

The Opposition has acknowledged the part played by the Minister in the development of racing in Queensland. That should be recognised as part of the whole concept of government that is supported by every Government member. I commend the Minister for his presentation of the Bill, and I compliment him upon the results that are being constantly achieved.

Mr DAVIS (Brisbane Central) (4.28 p.m.): In the last part of the speech of the honourable member for Burdekin (Mr Stoneman), he claimed that the Opposition was starting to tear racing apart and propagating gloom and doom. It should be acknowledged by the honourable member for Burdekin that the Opposition is not propagating gloom and doom; rather it is people involved in the racing industry who are doing that, and they are apparently doing a pretty fair job.

Despite the claims made by the honourable member about the development of the racing industry and the facilities associated with greyhound-racing in north Queensland, I have a cutting of an article that was published in the "Daily Sun" on 11 March, which reads—

> "Five positive swabs in NQ
>
> The horse doping controversy reached plague proportions in north Queensland at the weekend with the announcement of another five positive swabs."

As has been pointed out by the member for Lytton (Mr Burns) and the honourable member for Port Curtis (Mr Prest), horse-doping has reached epidemic proportions. If any member does not consider that something is wrong, he is obviously not facing up to reality. Other Opposition members and I have said that we will not let the Fine Cotton affair rest, because it was the worst slight on racing in this State.

Mr Stoneman: Who wrote this for you?

Mr DAVIS: Nobody wrote it for me. I do not have to carry on with the sycophantic crap that honourable members put up with from the honourable member. He mentioned one name after another but did not mention one thing about the disease affecting racing at present.

The honourable member for Burdekin said that half the people involved in the Fine Cotton affair were from New South Wales. The five positive swabs recorded in north Queensland, to which I referred, were certainly not connected with New South Wales. At least the Australian Jockey Club stewards travelled round the nation and,

within a few weeks, charged the culprits concerned in the New South Wales part of the Fine Cotton affair. They were successful to such a degree that some of the biggest names in book-making have been warned off all Australian racecourses. What has happened in Queensland in all the months since the Fine Cotton affair? Nothing! I suggest that nothing much will be done in the future, either.

The Queensland stewards have shown themselves to be the weakest possible sort of officials. Let me deal with the entire affair. Because they could not lose, the book-makers raked in millions of dollars. It must have been the most publicised ring-in ever anywhere in Australia or the world. It is obvious that a movie will be made about it, and it will be rated as a comedy.

The Opposition spokesman on racing and a number of other Opposition members have directed questions to the Minister in charge of racing, but none of them have been satisfactorily answered. That is why the Opposition wants a royal commission to inquire into racing in this State to get to the nitty-gritty of the problem. You would know, Mr Deputy Speaker, that even on country race-tracks the stewards have the right, if they suspect a jockey might be carrying a jigger or some other means of persuasion, to call him in and strip-search him. They have the right to pull a horse out of a race and have a veterinary surgeon test it for drugs.

The scenario at Eagle Farm on the day in question was that an outsider was backed for a phenonenal amount of money. The price came tumbling down. There was a buzz all over the racecourse that something was going on. Everybody knew. A 1 400 metre race is run in about one minute and 40 seconds. Weight is usually declared within four or five minutes of the start of the race. At the end of Fine Cotton's race the stewards did not declare weight. They disqualified the horse. Nobody can tell me that the stewards did not know that something was wrong before the race started. That is why the Opposition wants a royal commission. Millions of dollars were wagered at Eagle Farm, Randwick, in Victoria, and on provincial tracks throughout Queensland.

A story is going round that the stewards knew that there was a ring-in and that they decided to punish the people who backed Fine Cotton, not the book-makers who were the big winners, because if they had prevented the horse from starting the people behind the ring-in would have got away scot-free. After all, if the horse had been withdrawn, all bets were off. I am taking up the cudgels on behalf of all the punters who backed the horse purely and simply because its price came down. Thousands of people were involved.

A strong rumour was prevalent about a large amount of money being placed on the second horse named Harbour Gold. The jockey on that horse said that he was being defamed. All of these matters would have surfaced in a royal commission into this sordid affair. Months have passed since the ring-in, and I am sure that many more months will pass before any action is taken. I am sure that much more is involved in this affair than meets the eye. A great deal of scandal is involved in racing, trotting and greyhound coursing, but it is particularly bad in racing.

The honourable member for Port Curtis spoke of the number of positive swabs. So much caffeine is used on some courses that they are being called Nescafe. Doping is so bad that it has become a joke. What does the Government intend to do about it? What has the Government in mind to control racing? Many trainers are involved with horses that react positively to tests. Last year, the Opposition referred to the scandals concerning Whishane Myth and Aquitaine on the same day. I was at Doomben when those horses came out. They could scarcely stand up. Both of them were odds-on, and Wistane Myth was an odds-on favourite. A police investigation was carried out, but nothing was done.

The honourable member for Port Curtis referred to the Prince Frome incident, but what was done about Prince Frolic, which was involved in an incident a couple of weeks ago? Trainers have been deprived of their livelihood, but what else has been done? The Government has promised pre-race swabbing. I agree with the honourable member for Port Curtis that ridiculous statements have been made about horses drinking a little

extra Coke, the Clearasil treatment and coffee. Why are New South Wales, Victoria and South Australia not having the same problems? Queensland seems to be copping it. Although the crooks and nobblers are involved in racing, very little is being done to control them.

Recently a pensioner aged 71 years was fined $15,000 after pleading guilty to running a common betting house at Main Street, Kangaroo Point. This poor old bloke, who had written 10 bets, was fined $15,000, but the Government is doing very little to control the racing industry.

Opposition members congratulate the Minister in charge of racing on doing an exceptionally good job over the last couple of years. He has injected finance into the industry in the proper way but, unfortunately, his star is waning. Obviously the Premier is using his standover tactics to ensure that his nominee remains chairman of the Totalisator Administration Board. The Premier is frustrating the Minister for Local Government, Main Roads and Racing who should be entitled to put forward his nominee for selection.

Johnno Mann, my predecessor, was a very keen punter who seldom missed a race meeting.

Mr Stoneman: Which faction was he in?

Mr DAVIS: I do not know what the honourable member is talking about.

Government Members interjected.

Mr DAVIS: Members of the Government may laugh. The National Party has only one faction.

Mr Stoneman: It is one strong group.

Mr DAVIS: That is right.

I am glad that the member for Burdekin referred to factionalism within the National Party. I am told that "Mein Kampf" is compulsory reading for every member of the National Party. Recently, I tried to obtain a copy of that book from the Parliamentary Library and was told, "Sorry, there is a long booking." I had to wait nearly 20 months to get it.

Mr Bailey: Have you finished it?

Mr DAVIS: By the way, the honourable member's name is in it.

Johnno Mann, who was not a member of any faction and was a fine man, used to like a punt. He always attended racing and greyhound meetings; he would hardly ever miss a meeting. One day I asked him, "Why don't you go to the trots?" He said, "I will tell you something. You would have to have rocks in your head to go to the trots." When night trotting commenced in Brisbane, he decided to attend a meeting. After a couple of weeks, he said to me, "I have just discovered the trots and they are terrific." After another couple of weeks, he said, "I will tell you what. If there has ever been a disgrace and a touch, it is trotting."

Trotting has not improved. The greatest white elephant in this State is the trotting track at Albion Park. If it was not for Silks restaurant, the trotting track at Albion Park would be a dead loss. The other night, a trotting race was run so slowly that extra money had to be paid to keep the lights on.

For a number of years, the policy of the Labor Party has been that social status should be taken out of the administration of racing in this State. The principal club concept has been a farce. One would think that the principal club would be able to co-operate with the other clubs in the area. The clubs in the south-east corner of the State cannot reach an agreement with the principal club to provide television coverage of

races. The race club at Doomben has reached an agreement with the race club on the Gold Coast to televise races at those two courses but the QTC will not be in it.

The QTC is made up of social snobs. If honourable members think that it costs them a few dollars to get elected to this Parliament, they should try to get elected to the committee of the QTC. It costs about $10,000 in election material. It is a cushy job. As I say, the administration of racing in this State is carried out by social snobs.

The quicker a racing commission is established to oversee racing, trotting and greyhound-racing in this State, the better it will be. On behalf of the Opposition, I say to the Government: Do not think that the Fine Cotton affair will go away. At every opportunity, Opposition members will raise that matter until justice is done for the great majority of punters in Queensland who were rooked on that day in October.

Mr VEIVERS (Ashgrove) (4.44 p.m.): Mr Deputy Speaker——

A Government Member interjected.

Mr VEIVERS: Yes, I will be nice. Following the honourable member for Brisbane Central (Mr Davis), I can be nothing else but nice. He referred to a couple of matters in the racing industry in Queensland. That led me to think what sort of a State we really have. Is it a coffee-cum-caffeine State? Is it a toffee State? Because of the problems facing the sugar industry, I do not think that it is a toffee State, although Sallyanne Atkinson is trying to spread a bit of toffee round Brisbane at the moment.

Mr DEPUTY SPEAKER (Mr Booth): Order! I remind the honourable member for Ashgrove that he should stick to the Racing and Betting Act Amendment Bill.

Mr VEIVERS: I apologise, Mr Deputy Speaker.

The matter being debated today is one of very considerable concern. Honourable members have heard the comments of my colleagues the members for Lytton, Port Curtis and Brisbane Central, all of whom have expressed concern about matters that members should take time to think about.

To demonstrate the level of concern expressed in the community about the racing industry, I draw the attention of honourable members to the final edition of today's "Telegraph" It is reported that a probe has been ordered by the Minister for Justice and Attorney-General (Mr Harper) into whether the TAB chairman, Sir Edward Lyons, breached the Racing and Betting Act through his financial dealings. That inquiry has resulted from questioning by the Deputy Leader of the Opposition (Mr Burns) of the Minister for Racing (Mr Hinze) about whether Sir Edward, in his capacity as chairman of the TAB, tried to get the TAB board to buy the Katies building in Fortitude Valley, premises in which Sir Edward had a direct pecuniary interest. That is a very serious matter.

Under the terms of the Racing and Betting Act, members of the TAB board cannot have, or cannot be seen to have, any direct commercial interest that would affect the activities of the TAB. The Minister for Racing tabled the minutes of two TAB meetings in which several board members expressed misgivings about the political implications of the board's purchasing the Katies building. I will not say any more than that about that issue at this stage. It is a matter of concern for the entire racing industry, and the sooner the air is cleared, the better off the industry will be. What should be said about the industry is this: the confidence of the sporting public, owners, trainers and jockeys has definitely been affected by the scandals and problems in the industry over the last 18 months.

Since computer betting was introduced two years ago, the TAB's profit has increased from $12.8m in 1981-82 to $23m last year, which is a substantial increase. Over the same period, the gross turnover of the TAB has increased from $341m to $460m. In other words, in two years the TAB's turnover has increased by $120m. It is a large industry that affects many people directly and is supported by many people in the

community. If their confidence is undermined, as it is at the moment, the industry faces very serious problems.

For the benefit of honourable members opposite, I must make one point. Today, Opposition members have endeavoured to make their comments as constructive as possible. However, Government members always criticise the Opposition, claiming that Labor Party members are the knockers in this place. I will knock that idea on the head. I laugh every time I hear Government members criticising the Opposition, because they knock the activities of every other Government in this wonderful nation, be it the national Government or the State Governments. In many cases, they have no grounds for that continual knocking. Recently in this place, the Minister for Tourism, National Parks, Sport and the Arts criticised the Australia Games, and I drew attention to that.

I return to discussing the Bill and to making some constructive comments, because confidence within the racing industry must be restored. The sooner these problems are cleared up and a racing commission is established in this State, the better things will be.

Mr Bailey: Mr Lee is back from the races. I have just been speaking to him, and he would like some help.

Mr VEIVERS: He looks as though he had the right drum and won.

In his second-reading speech, the Deputy Premier and Minister Assisting the Treasurer said that the purpose of the Bill was simply to rectify an error. Last year, a Bill was introduced to reduce the tax on book-makers. It provided that, to compensate for that, the TAB would make a greater commitment to the Racing Development Fund. When the tax was reduced, the opportunity was also taken to supplement the funds available to the Racing Development Fund by increasing the contributions paid from totalisator operations.

I make the point that the House has before it another Bill to amend part of the Racing and Betting Act. Since I have been in this House, I do not think any other statute in this State has been amended as frequently as the Racing and Betting Act. I have investigated what has occurred since 1980, when the Racing and Betting Act was passed by this Assembly. Regulations to the Act were drawn up in 1981; also in 1981, an amendment was introduced to the Racing and Betting Act and was assented to on 29 April of that year. Amendments to the Racing and Betting Act were also introduced into the House on 22 October 1981, 20 April 1982 and 13 April 1983. All of those amendments related to the administration of the industry or the involvement of Treasury.

Last year, the House dealt with two amendments to the Act, one of which was quite substantial, introduced by the Minister for Racing (Mr Hinze). That changed the perception of all the arrangements under the Act. I draw the attention of the House specifically to clause 21, which amended section 189. That stated—

> "Functions, powers and duties of Totalisator Board. The Principal Act is amended in section 189 by inserting after subsection (6A) the following subsections:—
>
> '(6B) Notwithstanding anything else herein or elsewhere contained the Totalisator Board may grant to the Racing Development Corporation by way of gift or forgiveness of loans made pursuant to subsection (6A) ' "

That amendment to the Racing and Betting Act forgave previous loans or converted them into gifts. No other Government or semi-Government activity has such an advantage. That was a very substantial amendment.

Clause 17 of that Bill provided for a new section 20, which forgave previous commitments of racing, trotting and greyhound racing clubs throughout the State. In other words, the clubs got it both ways. Those who found themselves in financial difficulties when the Racing Development Fund was over-committed had their financial position corrected by the inclusion of retrospective provisions and, as was provided in the amendment to section 189, provision for the conversion of loans to gifts or for them

even to be forgiven. That legislation was introduced on 10 April last year. In the latter part of last year, the Act was amended in relation to book-makers tax, with which the current amendment is concerned.

That is the history since 1980. It should give the House an indication of how the racing industry has been administered—if it can be called that—in this State. It is a matter of very, very grave concern. As I said previously, it is something that should be examined. There has obviously been a considerable degree of conflict between the racing administration and the Treasury. I will not canvass that matter in detail because it was exposed last year.

A storm occurred in Treasury about the overcommitment of the Racing Development Fund. During the course of debate in this Chamber last year, when the overcommitment of the Racing Development Fund was exposed, reference was made to the Hielscher report. Through the Minister for Local Government, Main Roads and Racing (Mr Hinze), the Opposition endeavoured to have the report tabled in this Assembly. However, the Minister refused to do that. If that report is still available, in the interests of the racing industry in this State it should be tabled in this Chamber so that its contents can be made available to the people of this State. Some very serious accusations and implications were made in the Hielscher report.

On 15 March, in the "Telegraph", the following article, which was written by Quentin Dempster, appeared—

> "Premier Bjelke-Petersen has a difficult political and administrative problem on his hands with the Racing Development Fund controversy.
>
> On the one hand he has a bitter struggle between the two most powerful figures in Queensland politics apart from himself—big Russ Hinze, his Racing Minister, and Sir Edward Lyons, the chairman of the Totalisator Administration Board.
>
> On the other he has a concerned Treasury Department which, according to reliable information, found when the full extent of Mr Hinze's racecourse development program was investigated that the Racing Development Fund was overcommitted."

That statement has been made consistently by a number of members, including me, and it has never been denied. The Minister for Racing (Mr Hinze), the Premier and Treasurer (Sir Joh Bjelke-Petersen) and the Deputy Premier and Minister Assisting the Treasurer (Mr Gunn) have had ample opportunity to make an all-embracing statement about the Racing Development Fund. None of those persons has ever denied that the fund was overcommitted.

The article further states—

> "Under the authorship of Mr Leo Hielscher, the Under Treasurer, a report detailing Treasury's findings has been lodged with Mr Bjelke-Petersen (in his capacity as Treasurer), Mr Hinze and Sir Edward.
>
> This report of which only three copies reportedly exist, has been described as 'dynamite' by Government sources.
>
> The word was not the invention of sensation-seeking journalists anxious to beat-up a vendetta against the Minister. It was used by reliable sources aware and concerned about the problems confronting the Government in trying to ensure proper financial control."

The Opposition is not trying to beat up some sort of sensational nonsense about the matter. It wants confidence restored to the industry and something positive done to clear the air. A responsible Government Minister should make a statement to clear the air and advise the racing public of this State as to the exact financial position of the Racing Development Fund and its drain on the TAB. Honourable members know that the TAB is making a great deal of money. They need to know the relationship between the Racing Development Fund, the TAB and the Treasury. Until a clear and definitive statement is made, questions will continue to be asked.

As my colleague the honourable member for Brisbane Central (Mr Davis) said, the Opposition will not let lie the subject of scandals in the racing industry until some better information is received so that the people of Queensland can be informed.

Apart from the direct financial relationship between the Treasury, the TAB, the Minister for Racing and the chairman of the TAB, which is causing a great deal of concern, there are some other matters that concern the racing industry. The horse-racing and harness-racing industries have been riddled with scandals. I will not traverse the Fine Cotton ring-in scandal as it has already been referred to by my colleagues.

Difficulties exist in the trotting industry that have not been cleared up. On 19 March, four reinsmen were reprimanded for a dawdling race at Albion Park. At a separate adjourned hearing, Mr Darrell Alexander, who is the reinsman for the Minister for Local Government, Main Roads and Racing, was dealt with. I am not implicating the Minister. He has a genuine interest in gallopers and trotters. The point I make is that, even surrounding him, there are difficulties involving stewards, suspensions and fines. He has expressed his concern, but he seems to be hamstrung by a total lack of commitment by the Government to do something about it. That is the reason why the Opposition calls for a royal commission into racing. It is our policy to establish a racing commission to oversee an industry that is so important to the State.

Alexander was found guilty of a charge that he set an excessively slow pace all the way on the winner, owned by the Minister for Racing, and was fined $380. That is an example of what has occurred to someone who has the industry at heart. I pay the Minister that credit. I am sure that he has the future of the industry at heart. He must go home at night, scratch his head and ask himself, "What is really going on?" He ought to call for action. He has. He himself called for a royal commission into the Fine Cotton scandal. Unfortunately, because of the conflicts within the industry, nothing has occurred.

Another matter that ought to be of concern is connected with the Fine Cotton scandal. When Hayden Haitana was interviewed by Detective Sergeant Ian Thomas of South Australia, Thomas said to him that Queensland police would arrive within a couple of days to seek his extradition. Thomas alleges that Haitana replied, "Anyhow, Russ will look after me." Thomas said, "Russ who?" Haitana replied, "Russ Hinze. He'll look after me." Thomas asked, "How do you know that?" Haitana replied, "Everyone knows that—all the big boys. You know, I only ever saw Fine Cotton for half a day and I am supposed to be the trainer of it."

The Minister commented that he was not able to elaborate on those matters, since they were the subject of a court hearing. Obviously the Minister is concerned about the industry, but his name has been used in what can only be called a questionable connection. I am certainly not suggesting guilt by association.

Mrs Chapman: Stop dealing in innuendo.

Mr VEIVERS: I am not. I am speaking in his support, saying that he has not had an opportunity to clear himself.

Mr Randell: Smear tactics.

Mr VEIVERS: I did not hear that comment.

Mr Davis: He said, "Smear tactics." I say that you have done the right thing by racing.

Mr VEIVERS: I thank the member for Brisbane Central. These matters have to be raised. The Minister has not had an opportunity to clear his good name. That is the point that I make. There is no innuendo. That is a factual comment. It should be accepted in the spirit in which it is made.

For many years the racing industry has been the subject of innuendo, criticism, fixes and deals.

Mrs Chapman: By the Labor Party.

Mr VEIVERS: Certainly not by the Labor Party. The member for Pine Rivers was not here when I made my initial comment about knockers. We are certainly not the knockers. We are adopting a constructive approach to the problem in an effort to re-establish confidence in the industry. Surely the honourable member agrees with that approach. Surely the honourable member for Pine Rivers would agree with that.

I now wish to quote very briefly from extracts of interviews with noted racing identities in Australia as published in "The Australian" Mr Bill Green referred to the "Mr Bigs" of the industry. That is why a royal commission ought to be conducted in Queensland, to investigate some of the problems that are being experienced at the moment. Mr Green is a Victorian breeder, owner and trainer of horses, and author of books on racing. The article reads as follows—

> "There are lots of Mr Bigs. Really, if a person has got money all he's got to do is buy some racehorses and he's in the game. There really should be a Royal Commission into it, but there won't be."

I venture to suggest that what Mr Green has said happens will eventually occur in Queensland because, unfortunately, too many people are inclined to sweep some of the problems under the carpet. The Opposition will not allow that to happen easily, because the matter is too serious and too important to the welfare of the State.

Mr Fred Silvester is a former director of Victoria's Bureau of Criminal Intelligence and has been a race specialist since 1956. He has been quoted in the article I referred to as saying—

> "Race-fixing is part of organised crime. Drugs, vice and the rest is, of course, financed entirely from illegal gambling profits."

Not very much will be achieved by my citing futher examples of interviews that form the basis of that article, but I suggest that enough evidence has been brought forward to justify taking urgent action.

Members of the Opposition are calling for a royal commission, and I draw the attention of honourable members to a statement made by the Minister for Local Government, Main Roads and Racing in which he also called for a royal commission. The Opposition also wants to see the establishment of a racing commission that will oversee the total administration of the racing industry in the State.

Hon. N. E. LEE (Yeronga) (5.7 p.m.): I congratulate the Minister on the fine work that he has performed as the Minister for Racing. Within racing circles throughout the State, he has been an inspiration. That is so not only in metropolitan racing clubs but also in clubs that operate throughout the State, including country racing clubs. All racing clubs have been provided with a share of money from the Racing Development Fund and have been able to effect many improvements.

I will not be like members of the Opposition and call for unnecessary steps such as royal commissions or grandstand over certain issues. Such conduct is unwarranted. The attacks that have been made on the Minister are also quite unwarranted. The Minister has done a fine job; and, having referred to a "fine job", I now turn to the Fine Cotton affair.

What more does the public want? Do members of the public want the Minister's blood, or what do they want? After all, action has been taken in that (1) the race was declared a no-race; (2) Haitana has been apprehended, and the authorities have not finished with him yet—he has been locked out, and he certainly cannot do any more damage in Queensland; (3) dividends were never paid out to the people who set the race up, so not much damage was done in that respect; and (4) two of Australia's top book-makers have been barred for life. Most of the people who were involved have paid the penalty for what they have done.

The clubs have tightened up the rules that relate to presentation of papers, and I believe that is a good thing for the racing industry. Previously, the procedure was slightly haphazard and it was easy for someone to put in a ring-in. Now that the procedure for presentation of papers has been tightened up and a new system has been introduced, the trainer must bring the papers before a horse can start. The clubs can now check the brands against the horse, and that is likely to make the racing industry in Queensland much cleaner in its operations. The point is that, with the new system, if the trainer forgets the papers, the horse cannot start. Who cops it? The owner is the only one who is penalised because the horse cannot start. I do not care whether the trainer is fined for not delivering the papers, but the horse should at least be allowed to start. The QTC, the BATC and the Ipswich and Gold Coast Amateur Turf Clubs should all have duplicates of the papers of every horse in Queensland.

Mr Burns: Why don't you have freeze branding instead?

Mr LEE: That does not alter the fact that already thousands of horses that have not been freeze branded are racing. The honourable member would not know the first thing about freeze branding. I know a lot about branding, and if a horse is branded correctly, there is no need to freeze brand it. Freeze branding is just a new fad. Somebody told the honourable member about freeze branding and he thought, "I will hop onto this bandwagon. This is a good thing because it's something I can talk about." It is a pity that the honourable member had not been freeze branded. If he had been, everybody would know who he is. At the moment, because of the way he ducks and weaves round corners, most people are not certain.

Mr Prest interjected.

Mr LEE: As for the fellow sitting behind the honourable member for Lytton, the "pastoral Prest" or whatever he is called, he should have been freeze branded years ago; he should have been frozen right out of the State.

Why should the owner be penalised if the trainer forgets the papers? There should be duplicate papers, which would allow the horse to start. The stewards could then fine the trainer if they wished.

Mr Burns: Fine the owner.

Mr LEE: That is typical. Wouldn't the honourable member love to do that! He loves to knock the person who helps keep racing going.

Mr Prest interjected.

Mr LEE: The honourable member should not worry.

Mr Burns: Were you before the stewards three weeks ago?

Mr LEE: No.

Mr Burns: Yes.

Mr LEE: No. Do you want me to keep it up all day, Mr Deputy Speaker?

Mr DEPUTY SPEAKER (Mr Booth): Order! The honourable member has rejected the insinuation. If there is to be a debate, I suggest that the honourable member be allowed to proceed.

Mr LEE: Thank you very much, Mr Deputy Speaker.

Because of the recent rash of positive swabs, the stewards have now decided, and rightly so, that a horse should be brought to the track two hours before the start of its race. Members can imagine the plight of an owner who has a horse in the first race, perhaps starting at 12 o'clock, and a horse in the last race starting at, say, 5 o'clock. A

horse travelling from Toowoomba would have to leave its stable at 8 a.m. for the two-hour trip from Toowoomba to Brisbane. The float-driver has to ensure that he is not held up unduly at the weighbridge, where there is often a queue of vehicles that can mean a delay of half an hour or an hour. That possibility has to be taken into account, because if the horse does not arrive at the track two hours before the start of each race, it is not allowed to start. Again, the owner cops the crow. Owners from Toowoomba and other areas a similar distance from Brisbane will obviously have to use two floats if they have horses in early and late races. Of course, that means incurring additional expenses.

Mr Burns: Tell us about He's a Warrior coming third in the fourth race.

Mr LEE: The honourable member should tell the truth about He's a Warrior. He backed him and lost. He cannot take it. Why is he not like me? He should cop it on the chin, come up smiling and back up again.

A rebate on the cartage of horses similar to that paid to the owners of horses that come to Brisbane from the Gold Coast should be paid to the owners of horses that come from Gympie, Toowoomba and other areas a similar distance from Brisbane. Because the owners in those areas will now have to use two floats, the clubs should give a rebate for the second float. It is not the fault of the owners or trainers that they now have to have their horses at the track earlier than was necessary in the past.

Plenty of money is available to pay the rebate. A trainer has a right to get his horse to a race track in time for the race. If he left Toowoomba at, say, 7.30, he could have the horse standing in the stall from 10 a.m. till 5.00 p.m. before it starts. When a horse stands in a stall or a float for such a long time it is as bad as its being doped. No horse can give of its best in those circumstances. When necessary, an owner should be able to use two floats and have the rebate paid on both of them.

I have seen horses become very restless when put in an unfamiliar stall. I ask the Minister to pay the rebate on the second float. Why are horse floats forced to go onto a weighbridge? They carry only eight horses and they cannot weigh more than a certain tonnage. It could be said that a horse float may not be carrying horses—perhaps it could be carrying gold bullion! If that suggestion is made, horse floats could be spot checked at times.

Mr Littleproud: They might have a scratching on board.

Mr LEE: That could be so, but floats can carry only eight horses, which can weigh only so much.

In many instances, cattle carried on K wagons are not put onto the weighbridge because it is known that the wagon will hold only so many cattle. Horses should be treated in the same way. I do not mind if the Transport Department or the police make spot checks to ensure that floats are carrying horses, but I cannot understand why horses are held up for half an hour to an hour at weighbridges.

I would appreciate it if the Minister gave this matter favourable consideration because it is a very vexed problem for country trainers. Whether city trainers go to Toowoomba or the Gold Coast, they have the same problem. If the Minister were to waive the necessity for racehorses to go on weighbridges, he would be benefiting both parties.

I should make it clear that no metropolitan racecourse could hold class races without country horses. It cannot be said that trainers from outside the metropolitan area are not needed. Without horses from the Gold Coast, the South Coast and Toowoomba, the metropolitan tracks could not hold quality races.

I suggest to the Minister that my requests are reasonable.

Mr Prest: How about a rebate for the punter?

Mr LEE: Because the honourable member does not pay the bookies, why should he ask for a rebate? The honourable member has a terrible name at the races for not paying the bookies.

I asked the Minister a question about the administration of drugs to horses. If I did not know him better, I would believe from his answer that he did not know the first thing about racing. I know him better than that but, for some reason, he gave me a most unsatisfactory answer. My question was in these terms—

> "(1) In the last 12 months how many blood and urine samples taken from gallopers and trotters in Queensland have shown a positive sign of the presence of prohibited substances?
>
> (2) In each case above what was (a) the date of the sample and type of sample, (b) the event and race track, (c) the substance found, (d) the name of the horse and (e) the action taken?"

In reply, the Minister said—

> "The information required to answer the honourable member's question is not readily available from records held by the department. To ascertain the information would require substantial time and effort utilising resources already fully committed to furthering the Government's inquiry in relation to the doping of racehorses . "

I accept that. In my own small way, I was able to find out very easily the number of positive swabs that have been returned in the metropolitan and Gold Coast areas. I am speaking only of gallopers and not of trotters. For the information of the Minister and of honourable members, the number of positive swabs that have been returned for caffeine and other drugs are: One at Gatton, two in the metropolitan area, three on the Gold Coast and, recently, one from the horse Prima Fame.

A moratorium has been placed on the inquiries into those positive swabs until the authorities get to the bottom of this drug episode, and that is good. Some of the trainers whose horses have returned positive swabs are men of high character. They certainly would not administer a drug to their horses because they know full well that as soon as their horse wins or puts in a bad gallop, they will be called before the stewards or their horse will be swabbed. Any drug administered to a horse would quickly be discovered.

Jimmy Atkins and Eric Kirwan do not administer drugs to horses. They are men of integrity. For the last 20, 30 or 40 years, they have earned their living from racing. Why should they jeopardise their whole life and character just to win a race worth a miserable $2,000, which might mean that they would receive $200? They are not so stupid that they would do that. Therefore, I am pleased that a moratorium has been placed on those inquiries until information is obtained about where the drugs are coming from. I have my own ideas. However, I do not really know, and I will not tell honourable members until I am sure. I will not give my ideas under privilege, as some Opposition members do.

I now wish to talk about the TAB and Sir Edward Lyons. He takes all the credit for what has happened with the TAB. It is the computer that was installed in the TAB by Sir Albert Sakzewski that has given all the money to the Government and improved the position for the punters of Queensland. That has happened in spite of Sir Edward Lyons. There are many other men with good business ability on the TAB. All the credit should not go to Sir Edward Lyons. As honourable members know, Sir Albert Sakzewski was sacked on the day before the results from the new computer were to be released. Sir Albert should be given credit for the first lot of figures that Sir Edward Lyons published. The computer has made betting better. Every year, the TAB's figures have increased. As I say, that has happened in spite of Sir Edward Lyons.

The racing industry is a milking cow for the State Government; it gives the Government $35m per annum. Because of that revenue, the Government gives something back to the industry through the Racing Development Fund. I give credit to the Minister for Racing because he has been the only Minister to convince the chairman of the TAB or the Minister Assisting the Treasurer to give money back to the racing industry. He

has committed $40m over four years, or $10m per year, to the clubs. That money is a gift; it is a non-repayable grant. Where could the clubs get cheaper money? Because punters and race-goers have been provided with better facilities, prize-money has increased.

Mr Prest: You have a pecuniary interest and that is why you want more prize-money.

Mr LEE: The honourable member for Port Curtis does not have enough money to buy a mongrel dog, let alone a pecuniary interest in a horse. I would not let him own one hair of a horse's tail.

Because of the non-repayable grant that has been given to the racing clubs to enable them to improve facilities for punters and race-goers, prize-money has been increased. In fact, it has been increased in Queensland more than in any other State. I give credit to the Minister for Racing for this. Because of the way in which training fees are increasing, owners and trainers need bigger prize-money. Every month it is becoming more costly to train and own horses.

Mr Prest: The money is too big, and that is why there are too many crooks tied up in it.

Mr LEE: That is just where the honourable member for Port Curtis is wrong. He judges everybody by looking in the mirror. He sees his reflection and decides that there must be crooks everywhere. He does not know the first thing about the racing industry.

Mr Prest interjected.

Mr DEPUTY SPEAKER (Mr Row): Order! The honourable member for Port Curtis referred to the honourable member for Yeronga as a crook. That is unparliamentary language. Although the honourable member for Yeronga may not have heard the comment, I ask the honourable member for Port Curtis to withdraw the word "crook"

Mr PREST: I withdraw the word "crook" and replace it with "shyster"

Mr LEE: I did not hear what the honourable member said.

Mr Burns: He called you a crook, but he changed it to shyster.

Mr DEPUTY SPEAKER: Order! Unless the honourable member for Port Curtis withdraws that word as well, I will warn him under Standing Order No. 123A. If he uses any other word that I consider to be unparliamentary, he will be ordered from the Chamber.

Mr LEE: I should seek an apology from the honourable member, but it does not really matter what he calls me, because he cannot hurt me. I know that my conscience is clear, and the honourable member knows that his is not.

I turn now to discuss the progress that has been made in racing. Flag starts in the early days of racing were real rorts. The starter would wait until he saw one horse move and then he would drop the flag. One-strand barriers were introduced, which were followed by six-strand barriers. Now battery-start and electric-start stalls are used. That is a very fair and reasonable starting system and usually good starts result.

In the early days of racing, judges did not have the use of photographs to assess final placings. Photo finishes came into being, and now the whole race can be seen on a colour video tape. That has been of great assistance to the judges.

I had the good fortune to be invited by the stewards to view a film of the race when a question arose about the way in which He's a Warrior was ridden in that race. I am not frightened to tell honourable members about that.

An Opposition Member interjected.

Mr LEE: I have never told the honourable member anything.

I was invited by the stewards and given the privilege of watching the race on black and white film. The film was the most prehistoric that I have ever seen. In fact, it looked like an old Charlie Chaplin film. Because that equipment is almost prehistoric, I want so see something done. I see that the Minister for Racing has returned to the Chamber. I plead with him to do something about improving the antiquated filming equipment that the stewards have to use to judge races.

The stewards play a very important part in the racing industry. They help to keep it clean, keep it straight and keep it honest. Every assistance should be given to them so that they, the owners, the trainers and the jockeys will be able to follow the running of a horse with ease when the film is played back in the stewards room. At a cost of $200,000, colour video filming equipment was given to the trotting industry free of charge. Why cannot that be given to the flat races? I do not expect that equipment to be installed all over Queensland. The major racing clubs near Brisbane do not all race on the same day, so the camera equipment could be used by many of the clubs in the metropolitan and Ipswich areas.

Because the races at the Gold Coast are held on the same day of the week as the metropolitan races, the Gold Coast club might need its own equipment.

Mr Burns: Who did you say bought it for the trots?

Mr LEE: The Racing Development Fund.

As I have said, the stewards play a very important part in the industry. That the stewards and others in the industry have to view this prehistoric type of film is a shame. The Minister for Racing can spend $40m over four years on improving public facilities, yet those who are charged with keeping the industry clean and straight do not have the latest equipment. It is wrong that they should have such antiquated equipment. I plead with the Minister for Racing to do something about it. He should give the clubs some money towards the purchase of good equipment. I am only talking about perhaps a quarter of a million dollars. If the trots can get it, why should not the racing clubs get it?

When I was at the races recently, I saw a chap saddling up a horse. I will not mention the man's name. I looked in the book and I found that he was the very person who, not many years ago, thieved approximiately 27 cattle from my property. At that time I found out about that and I had the Stock Squad charge him. He was convicted and gaoled for six months. However, now he has a licence. When a person who has been gaoled for cattle-duffing can get a licence in the racing industry, there is something wrong.

Racing is one of the largest industries in the State. Because people cannot see smoke-stacks and other such things, they do not understand how large it is. If honourable members think of the enormous amounts of money that are put into the racing industry, they will realise that it is much bigger than many, many industries throughout Queensland. If anything can be provided as an aid to the stewards to keep the industry clean, it should be provided. I plead with the Minister for Racing to help the stewards. Give them some decent equipment. If necessary, rather than build another grandstand, give the stewards the necessary equipment. I ask the Minister not to build another Russ Hinze Stand but to provide something for the stewards that will help them keep the industry clean.

Hon. W. A. M. GUNN (Somerset—Deputy Premier and Minister Assisting the Treasurer) (5.34 p.m.), in reply: I thank honourable members for their contributions. Actually, I did not think that the Bill would create the interest that it has. Because it is a simple little financial amendment, I am handling the passage of the legislation. Most

of the contributions were a rehash of comments made a couple of months ago when the legislation was previously under debate.

One matter that appears prominently is the request by Opposition members for a royal commission. Opposition members are royal commission happy; the Federal Labor Government is summit happy. If Queensland judges were to be used for all the royal commissions requested by the Opposition, no judges would be available to do the ordinary court work.

The ALP is concerned primarily with knocking the industry. The racing industry is a great industry. It has a multiplier effect of millions and millions of dollars; in fact, I would go so far as to say that hundreds of millions of dollars are involved.

In contrast with the contribution made by Opposition members, the honourable member for Burdekin (Mr Stoneman) and the honourable member for Yeronga (Mr Lee) were very positive. They praised the industry and its expansion. What they said about the racing industry was correct. Every far-flung area of Queensland has a race club. That has meant a great deal not only to the horse-breeding industry but also to the feeding industry.

Mr Burns: What industry?

Mr GUNN: The feeding industry, or the feed industry. Has the honourable member heard about breeding, feeding and management?

Mr Burns: I could not hear you.

Mr GUNN: Breeding, feeding and race management. As I said earlier, the racing industry has a wonderful multiplier effect. It is a great industry. Instead of knocking it, Opposition members should be getting right behind it, because it means a lot to this State. The State has done very well out of it.

I can only repeat that many small country areas hold very successful race meetings. Facilities have been provided that they have not enjoyed previously. I do not need to pass on to the Minister, who is present in the Chamber, the congratulations that were extended to him. The Government is deeply conscious of the job that he has done for the racing industry.

Motion (Mr Gunn) agreed to.

Committee

Clauses 1 to 3, as read, agreed to.

Bill reported, without amendment.

Third Reading

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

LAND TAX ACT AMENDMENT BILL

Hon. W. A. M. GUNN (Somerset—Deputy Premier and Minister Assisting the Treasurer), by leave, without notice: I move—

> "That leave be given to bring in a Bill to amend the Land Tax Act 1915-1984 in certain particulars."

Motion agreed to.

First Reading

Bill presented and, on motion of Mr Gunn, read a first time.

Second Reading

Hon. W. A. M. GUNN (Somerset—Deputy Premier and Minister Assisting the Treasurer) (5.39 p.m.): I move—

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

The Bill provides for amendments to the Land Tax Act that will eliminate difficulties being experienced in administering two particular aspects of the land tax law. The two aspects are: the assessment of land held under trusts; and the assessment of land in time-sharing schemes. The Bill provides for new methods of assessing land in these cases as from the 1985-86 land tax year.

I will deal first with the assessment of land held under trusts. Section 26A deals with the assessment of land held by trustees under trusts. It allows for the trustee to be assessed as if the land of which he is trustee were owned by the one person. However, where income from the land is payable to one beneficiary only, it provides for such beneficiary to be assessed as the owner. Further, where there is more than one beneficiary and any beneficiary is entitled to a share of income from the land and is in actual receipt thereof, each such beneficiary is required to be separately assessed on the value of his interest in the land and the trustee is assessed on the value of the remainder, if any, of the interests in the land.

In allowing for assessment to the beneficiaries, the present method of assessment has become unworkable in view of the large increase in the number of trusts in recent years and the increasing complexity of trust structures. One difficulty has been in tracing through the trusts and allocating land value according to distributions of income. This is time consuming and largely unproductive, and creates an excessive administrative burden.

Another difficulty with the administration of the provision is that significant delays in assessments result because before the commissioner can make an assessment he must rely on the co-operation of the tax-payer in providing satisfactory information as to the identify of the beneficiaries, as to distributions of income, and as to whether the beneficiary has actually received the income. Further, the commissioner, without major investigative follow-up, has no effective means of verifying the accuracy of the information from accounts, trust minutes, etc., and the resulting assessments are accordingly subject to doubt.

To overcome these difficulties, the Bill provides in clause 14 for the commissioner to be empowered to assess to the trustee, with one exception, which is provided for in clause 15. The exception is that assessment will be allowed to continue to beneficiaries on application by the trustee in the case of deceased estates where the beneficiaries have a specific share in the trust property—for example, a quarter share in land under a will.

The Bill specifies in clause 5 (b) that the statutory deduction of $60,000 will not be allowed in assessments to the trustee, as this could potentially facilitate the situation in which persons benefit from the statutory deduction on a multiple basis, namely, in their own right and through multiple interests in trusts. The non-allowance of the statutory deduction for trustees will be comparable with the method of assessment of companies. However, certain land tax concessions that are provided to other categories of tax-payer are to be extended to trustees in conjunction with this new method of assessing trusts.

In this regard, where land owned by a person in his capacity of trustee of one or more trusts has a taxable value of less than $10,000, that land is to be exempt from land tax, and such trustee is to be exempt from making returns of land tax. It has not been possible to provide for this exemption to apply in respect of each and every trust of which a person might be trustee, in view of the potential for avoidance whereby persons could benefit from this exemption up to $10,000 on a multiple basis by establishing a series of trusts in respect of land.

It is also proposed that the concept of the principal place of residence concession be extended to land held by a trustee. However, it will be necessary to provide that the concession applies only where all of the beneficiaries reside on the trust property (including where the residence is held under building-unit or group title or is a unit in a home-unit company). Therefore, where one the beneficiaries ceases to reside on the property, the concession will cease to apply.

The reason for these conditions is that it would be inappropriate for a beneficiary to benefit from the principal place of residence concession in respect of his interest in land on which he does not reside. Further, if this restriction were not imposed, a beneficiary could obtain the benefit of the residential concession on a multiple basis, namely, once in respect of his own residence and, additionally, in respect of each of those properties on which he did not reside but in which he had an interest as beneficiary and which are the residences of his co-beneficiaries.

A further limitation on the residential exemption for trusts is that a trust is not able to obtain the benefit of the residential concession where the beneficiaries of the trust bear to the beneficiaries of another trust which has benefited from a residential concession the relationship of mother, father, sister, brother, husband, wife, etc., unless the commissioner is satisified that the trusts were established by or on the instruction of different persons.

This restriction is to counter the possibility of avoidance through multiple use of the residential concessions by the owner of properties setting up trust arrangements involving members of a family residing on different properties, effectively owned and controlled by the same family member.

There is also to be a rural exemption for land held by a trustee. It is to correspond with the exemption provided for exempt proprietary companies and is to be provided where all of the beneficiaries are natural persons and no beneficiary is an absentee or insofar as his beneficial interest is concerned an agent or nominee of an absentee or company or a trustee of a trust. The rural exemption will apply where the trustee is a natural person and where the trustee is an exempt proprietary company.

The Bill in clause 7 provides for a small business deduction of up to $30,000 corresponding with that provided for exempt proprietary companies to apply to trusts where the trustee is a natural person or an exempt proprietary company; the beneficiaries are all natural persons (other than absentees) and no beneficiary insofar as his beneficial interest is concerned is an agent or nominee of an absentee or a company or a trustee of a trust; no beneficiary has an interest in any other land (excluding his residence) exceeding $20,000 including land deemed to be owned by him because it is owned by an exempt proprietary company of which he is a member or by a trustee of a trust of which he is a beneficiary; no other exempt proprietary company of which a beneficiary is a member or trustee of a trust of which the beneficiary is a beneficiary has received the benefit of the deduction.

The concession, like that for exempt proprietary companies, only applies where the land has been used for the preceding 12 months in a prescribed activity or, where the land was acquired during the last 12 months, has been so used since acquisition. The building situated on the land must also not have been leased, rented or let to some other person during that time and the trustee must have used the land for no purpose other than a prescribed activity.

Further, in order to counter the possibility of this exemption being claimed to in excess of $30,000 by effectively the same owners in respect of the same land by setting up multiple trusts in respect of the land, there is provision that only one trustee may obtain the benefit of the concession in respect of such land and that the concession is not available where an exempt proprietary company has received the benefit of the corresponding concession for exempt proprietary companies in respect of the land.

Certain corresponding amendments have also been necessary to the existing concession for exempt proprietary companies in association with the extension of the concession to trusts, for example, to provide that an exempt proprietary company not obtain the benefit of the concession where a trustee has already received the benefit of the concession in respect of the same land; for the purpose of determining whether a member's land interests exceed $20,000 and therefore whether the concession is to apply, to deem a member of a company to own land owned by a trustee of a trust of which the member is a beneficiary as well as the present provision deeming him to own land of other exempt proprietary companies of which he is a member; to preclude a company benefiting from the exemption where a member of the company is also the beneficiary of a trust which has obtained the benefit of the deduction under the new provision providing for such deduction for trustees, etc.

There have been certain other technical amendments associated with these changes to the method of assessment of trusts.

For example, a provision allowing certain land held in trust to be regarded as being jointly owned is now redundant. It has also needed to be defined in respect of trusts that are to be regarded to be beneficiaries as at midnight on 30 June, the time for the determination of ownership of land.

The other significant proposal in the Bill is to overcome major administrative difficulties being experienced by the Land Tax Office in respect of assessment of land held under time-sharing schemes.

In large developments, there may be over 1 000 time-sharers. The present provisions do not facilitate the making of one assessment in respect of land which is time-shared and necessitate the apportionment of a share of the land to each individual time-sharer. This requires the office to so apportion the land to the individual time-sharer and to check whether the time-sharers are in fact including such amounts in their land tax returns should they be liable to lodge a return in respect of their total interests in land. This tracing through interests in land creates a major administrative burden for small amounts of duty and is generally unproductive.

The proposal is, therefore, that the time-share scheme be regarded as one parcel attracting one assessment for land tax purposes and that in all cases the person who is charged with the management of the scheme be liable for the tax. It is to be left to that person to apportion the liability to time-sharers, as he would other charges associated with administering the project. Time-sharers are to be indebted to the person liable for that land tax charge.

The provisions in the Bill which achieve this new method of assessment are the proposed new sections 11D and 11E. Section 11D will provide for the case where the time-sharing scheme comprises lots under a building units plan or a group titles plan. New section 11E is to provide for the case where the whole of a building may be under the one title and, to participate in the scheme, persons acquire a small share of such title.

Other schemes which these provisions do not specifically cover could, for example, involve a trustee holding the land time-shared in trust for beneficiaries who are the time-sharers. An assessment in that case will be covered by the new general provisions in relation to the assessment of trusts. In the case of assessment of time-sharing schemes, the statutory deduction of $60,000 is not to apply.

In summary, the proposals in this Bill in respect of trusts and time-sharing projects are very desirable in that they provide for the increased efficiency of the Land Tax Office and greater equity among tax-payers.

I commend the Bill to the House.

Debate, on motion of Mr Burns, adjourned.

SUPERANNUATION (PUBLIC EMPLOYEES PORTABILITY AND ACTS AMENDMENT) BILL

Hon. W. A. M. GUNN (Somerset—Deputy Premier and Minister Assisting the Treasurer), by leave, without notice: I move—

"That leave be given to bring in a Bill to provide for portability of superannuation entitlements of persons engaged in public employment and to amend the State Service Supernnuation Act 1972-1984, the Public Service Superannuation Act 1958-1984, the Police Superannuation Act 1974-1984, the Police Superannuation Act 1968-1984 and the Parliamentary Contributory Superannuation Act 1970-1984 each in certain particulars."

Motion agreed to.

First Reading

Bill presented and, on motion of Mr Gunn, read a first time.

Second Reading

Hon. W. A. M. GUNN (Somerset—Deputy Premier and Minister Assisting the Treasurer) (5.52 p.m.): I move—

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

The primary purpose of this Bill is to introduce portability of superannuation coverage between the various public sector superannuation schemes in Queensland and between those schemes and other schemes in the public sector of employment in Australia.

The legislation will specifically cover the State service, police and parliamentary schemes with provision made for the Minister to declare other schemes within public sector employment as schemes which may participate in the portability arrangements. It is expected that schemes operated for the employees of Queensland statutory authorities and schemes operated under statutes in other States and of the Commonwealth will participate. The Commonwealth Government had indicated its agreement to provide reciprocal portability arrangements between the Commonwealth Public Service scheme and the Queensland Government schemes.

The Bill provides an employee who is resigning from one area of the Government to take up employment with the Government elsewhere with an option to forgo the resignation benefit and elect for a transfer value to be paid between the superannuation schemes involved. The amount of the transfer value will be determined by the scheme's actuary and will include an employer-subsidy component.

Safeguards are provided in the legislation to ensure that the employer-subsidy component of a transfer value is used to increase benefits payable only at age retirement, invalidity retirement or death.

The portability provisions of the Bill are designed to assist persons changing jobs within public sector employment to conserve their superannuation benefits until retirement.

This Government has consistently shown that it is committed to assisting its long-serving employees and members in the provision of a reasonable level of benefit for their retirement years. The portability provisions of this Bill are further evidence of the Government's commitment and concern in that regard.

Another measure which is contained in the Bill as a consequence of the portability provisions is the insertion of provisions in each of the State service, police, and parliamentary schemes whereby a member, who has received a subsidised benefit upon retirement from one of the schemes and subsequently becomes a member of another of the schemes, shall not be compulsorily required to contribute to the new scheme.

Where the member elects to contribute, any future subsidised benefit entitlement shall be reduced by an amount actuarially determined having regard to the employer-subsidy portion of the benefit received from the previous scheme. This provision will

ensure that there can be no element of double subsidisation of superannuation benefits provided under the Government superannuation schemes.

The Bill includes a redrafting of the provisions of the State service, police and parliamentary schemes which prescribed the benefits payable to widows and widowers upon the death of members.

The respective sections have been rewritten so that those widows and widowers, who currently can convert their pension entitlement to a lump sum, will be entitled to a lump-sum death benefit which may be converted to a pension.

This technical change is necessary to overcome the anomalous situation introduced under the Commonwealth taxation legislation, which excludes from taxation liability lump-sum benefits payable to widows and widowers, unless the benefit first emerges as a pension which can be commuted to a lump sum, in which case taxation is assessable.

As honourable members would be aware, most superannuation schemes both in the private and public sectors of employment in Australia, provide for the emergence of lump-sum death benefits. The changes proposed will place widows and widowers of deceased members of the Queensland Government superannuation schemes in the same situation as widows and widowers of members of other superannuation schemes.

A further measure contained in the Bill will vary the manner in which persons are nominated to the Government for appointment as members of the State Service Superannuation Board.

The State Service Superannuation Act provides that the Act shall be administered by a board consisting of six members with three of such members nominated to represent specific divisions of contributors. The Act currently requires that the Queensland State Service Union, the Queensland Teachers Union and the Queensland Professional Officers Association nominate one member each to represent the three divisions of contributors.

The current provisions of the Act were framed at a time when the scheme was restricted to members of the public service. Since 1965, membership of the State service superannuation scheme has been open to virtually all areas of Queensland Government service including the Railway Department, hospitals boards and a number of statutory authorities. The number of members of the scheme employed in areas of Government service other than the public service is now considerable and it is no longer relevant to require that contributor representatives be restricted to members of specific public service unions.

The amendment proposed will permit the Government to select a person from each of the three divisions of contributors, whether such person is a member of one of the aforementioned public service unions, a member of another union or association which has members covered by the scheme, or is not a member of a trade union.

Another provision of the Bill addresses the situation where a member of the State service superannuation scheme who, through incapacity, is unable to continue to carry out the duties of his/her particular office and is redeployed to a position with a lower salary.

The amendment proposed will allow the officer to be redeployed whilst retaining the benefit coverage applicable to the position formerly held. This will ensure that the officer suffers no loss of superannuation benefit coverage because he or she has become incapacitated during the period of membership of the scheme.

In addition, the superannuation board is provided with a discretion to grant a partial incapacity pension to cover the consequential reduction in salary.

The Bill also provides for a variation to the normal age for retirement of the Deputy Commissioner of Police from age 60 to age 62 years. This measure has previously been passed by the House in a Bill to amend the Police Act.

As honourable members would appreciate, the measures contained in this Bill are essentially of a technical nature which, whilst improving the superannuation conditions of the members of the Queensland Government superannuation schemes, do not involve the Government or the members of the schemes in any additional cost in the provision of superannuation benefits.

I commend the Bill to the House.

Debate, on motion of Mr Burns, adjourned.

LOCAL GOVERNMENT ACT AMENDMENT BILL

Hon. C. A. WHARTON (Burnett—Leader of the House), by leave, without notice: I move—

"That leave be given to bring in a Bill to amend the Local Government Act 1936-1984 in certain particulars."

Motion agreed to.

First Reading

Bill presented and, on motion of Mr Wharton, read a first time.

Second Reading

Hon. C. A. WHARTON (Burnett—Leader of the House) (6.1 p.m.): I move—

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

This is a short Bill dealing with two principles that affect the rating powers of local authorities and which were foreshadowed by the Minister for Environment, Valuation and Administrative Services (Mr Tenni) in his recent speech in introducing the Valuation of Land Act and Another Act Amendment Bill 1985.

Honourable members will be aware of the difficulties that can face a local authority in devising what it regards as an equitable rating system following a complete revaluation of lands in its area.

The valuations of lands used for different purposes can increase at markedly different levels and it may be that the levying of a flat general rate on all rateable lands or a combination of rural, rural residential or differential urban rates under the existing provisions of the Local Government Act would not provide the local authority with sufficient flexibility to spread the rate burden in what it considers to be an equitable manner.

New reforms introduced by the Minister for Environment, Valuation and Administrative Services to provide for the phasing in of valuations and the annual adjustment of valuations will have a dampening effect on the increases in individual valuations from one year to the next.

Sharp changes in the relativities between the valuation of lands used for different purposes will also be reduced by these reforms.

Nevertheless, it is considered desirable to provide local authorities with increased flexibility to make and levy general rates in a manner that will meet their individual requirements for an equitable rating structure.

The first principle contained in the Bill addresses this aspect by empowering a local authority to make and levy differential general rates. In a nutshell, the new system of rating will permit a local authority to categorise rateable land in its area, or in each financial division, if the area is so divided, into various categories based on such factors as land useage or land type and then levy general rates at different levels on rateable land in each category.

The new system of differential general rates will not replace the exisiting rating powers of local authorities in the Local Government Act but will provide an alternative method of rating for those local authorities who see a need for a greater flexibility. In other words, the matter is left to the discretion of the local authority.

A local authority that is contemplating the levying of differential general rates must, as a first step, define the criteria that it proposes to adopt to categorise rateable land in its area into two or more categories.

An approach would then be made to the Valuer-General to ascertain whether, using those criteria and the information contained in his records, he could assign each parcel of rateable land in the local authority area to one of the categories determined by the local authority. If the Valuer-General is unable to identify the land in each category, it will not be competent for the local authority to make and levy differential general rates in that year.

Land-based information held by the Valuer-General is mainly collected as a by-product of the process of carrying out a complete revaluation of all lands in the area of a local authority. Up-to-date information is of prime importance if the new system is to operate effectively and consequently it is proposed to limit the application of the new rating powers to those local authorities in which a general valuation first has force and effect on or after 30 June, 1984.

I am advised that 29 local authorities had general valuations that became operative on that date and it is estimated that a further 12 local authorities will have new valuations commencing at the end of this financial year.

The timeliness of the information held by the Valuer-General will be maintained through information collected in carrying out annual valuations and from data supplied by local authorities in connection with the imposition of fire services levies. However, as it may be necessary for the Valuer-General or a person authorised by him to enter land for a purpose associated with the new system, such as identifying the use being made of the land so that it can be assigned to a category adopted by the local authority, an appropriate power of entry has been inserted in the Bill.

Exceptions to the general rule of applying the new provisions could be warranted, and it is therefore proposed that the Governor in Council be empowered to invoke the new provisions in respect of a particular local authority before a general valuation comes into force in the area of that local authority.

Where a local authority proceeds to make and levy differential general rates, the resolution adopted at its budget meeting will need to detail the reasons why it is considered that the levy of such rates is warranted, list the criteria and the categories that have been adopted, the rate in the dollar on lands in each category and identify the category in which each parcel of rateable land has been included by the Valuer-General.

Where a local authority decides to make and levy differential general rates in a particular year each rate notice sent to an owner of rateable land in that year will have to list the criteria and each of the categories that have been adopted and specify the category in which his land had been included.

The notice would also inform the owner that he may lodge an objection with the Valuer-General if he is of the opinion that, as at the date of issue of the rate notice, his land was being used for a purpose that would place it in another of the categories adopted by the local authority. Such an objection must be lodged within 30 days of the date of issue of the rate notice and the Valuer-General is required to issue written notice of his decision thereon to the objector within 60 days after the expiry of that 30-day period.

An objector who is dissatisfied with the Valuer-General's decision to disallow his objection or to place his land in a category other than the one in which it was included

on the rate notice, or in which the objector considered that it should have been included, may appeal to the Land Court within 28 days after the issue of that decision. To ensure that such appeals are dealt with as expeditiously as possible, it is proposed that they be heard by a single member of the court sitting in chambers. No statutory right of appeal will be provided against decisions of the Land Court under the new provisions.

As the hearing and determination of objections and appeals against the categorisation of land may not be completed within the normal period for the payment of rates, an owner of land who chooses to exercise his right to object or appeal is still required to pay the amount of the rates levied, but where land is transferred from one category to another as a result of an objection or appeal, an adjustment of the amount of the rates levied will have to be made by the local authority. If the rates have already been paid, any amount paid in excess will be refunded and amounts short-paid will be recoverable by the local authority.

An underlying premise of the new provisions is that rateable land and the category in which it is included must be identified in the resolution of the local authority at its budget meeting before a differential rate can be made and levied. After the date of the budget meeting, mistakes in the categorisation of land may come to light as well as failure to include a parcel of land in any category at the time of that meeting.

To meet these situations, the Bill empowers the Valuer-General to notify the local authority of the category in which, in his opinion, the land in question should be included. The Valuer-General may also issue a similar notification when two or more parcels of rateable land identified in the budget resolution are amalgamated later in that year into one parcel of land.

The registration of a plan of subdivision after the date of the budget meeting also brings into existence parcels of land that are not identified in the resolution made at that meeting categorising rateable land, and for the purpose of levying differential general rates, it is proposed that subdivided lands shall be deemed to be included in the same category as that in which the raw land was included at the budget meeting.

The owner of rateable land affected by the categorisation of the land after the budget meeting of a local authority through the application of the provisions I have just mentioned will have a right of objection and appeal following the issue of a rate notice by the local authority based on such categorisation.

With the introduction of the new differential rating powers, the Bill removes the existing provision of the Act under which a local authority must obtain the prior approval of the Governor in Council before it may make and levy differential urban rates. The making and levying of such a rate is properly a matter for determination by the local authority.

The second principle contained in the Bill extends the existing powers of a local authority under the Local Government Act to grant a remission of rates. At present, a local authority has the discretion to remit and wholly discharge rates made and levied under the Act or any part of such rates where the owner of the land in question is a pensioner.

A further discretionary power is to be inserted into the Act to provide that a local authority may, on application, remit and wholly discharge rates or a part of such rates levied on land where—

(a) the valuation of that land is sigificantly higher than the valuation of other lands being used for a similar purpose elsewhere in the area of the local authority;

(b) by reason of that valuation, the rates levied on that land are higher than those levied on the other lands; and

(c) the financial circumstances of the owner of the firstmentioned land are such that in the opinion of the local authority the payment of rates levied on his land will cause him to suffer undue financial hardship.

An example of a possible application of the new provisions would be the case of long-established residents of a particular neighbourhood, such as a once quiet seaside area, who could find that the valuations of their properties rise significantly if it becomes fashionable for more affluent people to live in that area. The increased demand for land pushes up the valuations of all the surrounding properties, and this gives rise to an increase in the amount of the rates payable to the local authority. Although the higher rate bills may not be any cause for concern to the newcomers, existing residents of lower financial means may face financial hardship in meeting the increased levy. The Bill will empower a local authority to grant rating relief in these circumstances. It will be up to each local authority to determine whether it wishes to exercise its discretion under these new provisions and, if so, the conditions under which relief will be granted.

The provisions contained in the Bill have been discussed with the Local Government Association of Queensland and have the support of the executive of the association. I think that honourable members will agree that the Bill vests a local authority with greater flexibility in the making and levying of general rates and that that is a desirable discretionary power. A number of local authorities have sought such flexibility, particularly in areas in which there is a diversity of land uses.

Debate, on motion of Mr Prest, adjourned.

The House adjourned at 6.10 p.m.