

SECOND READING SPEECH

by

THE PRIME MINISTER, THE RT. HON. R.G. MENZIES
IN THE HOUSE OF REPRESENTATIVES, CANBERRA, WEDNESDAY, 18TH OCTOBER, 1961

QUEENSLAND GRANT (BEEF CATTLE ROADS) BILL, 1961

This Bill seeks the approval of the Parliament to a grant of financial assistance to the State of Queensland for the construction of beef cattle roads in that State.

In February last, I announced the Government's interest in a number of large enterprises which would assist with development and increase export earnings. Included in the list was "road development in the North, including North and Western Queensland, the Northern Territory, and the North of Western Australia." Following a very careful examination of the whole question of road requirements in the North, and consultation with the States concerned, the Government decided on an immediate programme of assistance in all three areas. The current Budget includes a special allocation of £350,000 designed to speed up road development in the Northern Territory, and we have also agreed to a special grant to Western Australia which is the subject of a Bill I shall be introducing shortly. The present measure covers the assistance we plan for the State of Queensland.

It is perhaps unnecessary for me to stress the great importance of transport to the development of our sparsely-populated northern areas, or to dwell on the part played by the beef cattle industry in those areas and the significance of beef as an export earner. These facts are well-known, and there is also general acknowledgment of the further fact that droving as a means of moving cattle from place to place is rapidly being superseded, where suitable roads are available, by the use of motorised road trains. The use of road trains speeds up movement. More importantly, its general availability has the side effect of promoting quite significant changes in animal husbandry, allowing cattle to be "turned off" at much younger ages and thus increasing the productivity and overall efficiency of individual properties, as well as producing, in most instances, an end product of higher quality.

Expert economic studies, designed largely to measure the cost of roads against the value of the benefits expected to flow from their construction, have shown that there is much scope in Queensland for roads expenditure which should produce really worthwhile results. Apart from the Queensland section of the Barkly Highway between Camooweal and Mount Isa, there is practically no road in the west and north-west of the State suitable for the regular transport of cattle.

Earlier this year, I announced that, as a first step, we had agreed to provide £650,000 of the first £1,000,000 spent on the construction of a road between Normanton and the Townsville-Mount Isa railway at Julia Creek. This work is now well under way, and the 1961/62 Budget has made provision for the Commonwealth contribution of £650,000. However, at Budget time it was announced that we were ready and willing to go much further than this, and in subsequent discussions with the Queensland Government we have agreed to an all-inclusive grant of £5million to be made over a period of five years for expenditure on approved road works.

In effect, we have left the Normanton-Julia Creek arrangement as it stands, and we have added a further £4,350,000 as a straight-out grant which does not have to be matched by corresponding expenditure on the part of the State. Put in another way, if the State spends a total of £5,350,000 on approved roads during the prescribed period, it can qualify for a Commonwealth grant of £5million towards this expenditure. The grant would be made available progressively over the period and so provide for financing of the work as well as ultimate assistance.

The actual roads on which expenditure will qualify for reimbursement will be selected in the first instance by the State, but must be approved by the Treasurer. Naturally from a Commonwealth viewpoint we want the funds to be applied to the best advantage, and thus the Treasurer is required to have regard to certain criteria - essentially the effect on beef production and the relationship between cost and benefits - before giving an approval.

The Bill also provides that the Treasurer may approve standards of design or construction and that, if he does so approve, then the State must comply with those standards to be eligible for a grant in respect of the work concerned. On this aspect I can say that there is already a very substantial measure of agreement on standards.

I feel sure that there will be general support for this measure which, in conjunction with other assistance proposals already before the House or to be introduced, should contribute greatly to that development of this country and its resources in which we all believe.

I commend the Bill to the House.
