

G. LEHMAN
A.B.C.

OVER THE PAST FEW YEARS THERE HAS BEEN TREMENDOUS DEVELOPMENT
ON A NATIONAL SCALE IN THIS PART OF QUEENSLAND, SUCH AS THE
ALUMINA PLANT, COAL FIELDS ETC. AS A RESULT FUNDS FROM THIS
REGION HAVE HAD A TREMENDOUS DRAIN ON THEM.

ELECTRIFICATION, ROADS ETC. AND OVER THE LAST FEW MONTHS THERE
HAS BEEN A NUMBER OF SUGGESTIONS THAT COMMONWEALTH FUNDS SHOULD
BE MADE AVAILABLE FOR THIS DEVELOPMENT. WHAT SORT OF RESPONSE
WOULD A REQUEST FOR COMMONWEALTH FUNDS GET?

MR. HOLT

IS THIS IN RELATION TO COMMONWEALTH PROJECTS, FOR EXAMPLE,
IN TONSVILLE WE HAVE A MILITARY ESTABLISHMENT GOING WHICH WILL
NO DOUBT BE MAKING HEAVY DEMANDS ON LOCAL RESOURCES. I
UNDERSTAND THERE ARE SOME DISCUSSIONS GOING ON BETWEEN THE ARMY
AUTHORITIES AND MUNICIPAL AUTHORITIES THERE. I IMAGINE YOU
ARE THINKING IN TERMS OF PRIVATE ENTERPRISE DEVELOPMENTS AND THE
REQUIREMENTS THEY HAVE.

G. LEHMAN
A.B.C.

IN PARTICULAR THE ALUMINA PLANT AT GLADSTONE IS MAKING HEAVY
DEMANDS AS FAR AS POWER IS CONCERNED, AND THE LOCAL ELECTRICITY
BOARD HERE IS VERY SHORT OF FUNDS FOR OTHER PROJECTS AND THE
CONSUMERS ARE SUFFERING IN A NUMBER OF WAYS, INCLUDING INCREASED
TARIFFS. IT IS FELT THE COMMONWEALTH SHOULD COME TO THE AID
OF THE BOARD, AFTER ALL, THE COMMONWEALTH WILL BENEFIT AS MUCH
AS THE STATE.

MR. HOLT

OVER THE YEARS THERE HAS BEEN A GOOD DEAL OF DISCUSSION ON
FINANCIAL RESOURCES OF LOCAL AND STATE GOVERNMENTS. IT HAS BEEN
SUGGESTED BY SOME OF THE LOCAL GOVERNING BODIES THAT THERE SHOULD
BE A COMMONWEALTH INVESTIGATION OF THESE REQUIREMENTS AND THE
LINE WE HAVE TAKEN IS THAT WE WOULD BE PREPARED TO JOIN WITH THE
STATE GOVERNMENT AND LOCAL GOVERNMENT IN MAKING SUCH AN ENQUIRY,
BUT SO FAR THAT PROPOSAL HAS BEEN RESISTED BY THE STATE GOVERNMENT.
THE LAST TIME IT WAS UNDER MY NOTICE DURING MY PERIOD AS
TREASURER THE SIX STATE MINISTERS FOR LOCAL GOVERNMENT WHO HAD
BEEN METTING HAD INCLUDED THIS MATTER ON THEIR AGENDA AND HAD
UNANIMOUSLY REJECTED IT. NOW I DO NOT KNOW IF THERE HAS

BEEN ANY CHANCE OF MIND FROM THEM. NORMALLY THE LOCAL GOVERNMENT LOOKS TO THE STATE GOVERNMENT, THE STATE GOVERNMENT IN TURN LOOKS TO THE COMMONWEALTH GOVERNMENT AND I CAN GIVE YOU SOME IDEA IN THE WAY OUR PROVISION FOR STATE PURPOSES HAS EXPANDED OVER RECENT YEARS, AND IF I COMPARE THIS WITH THE LAST PERIOD OF OFFICE OF THE LABOUR PARTY IN 1949/50 ALTOGETHER PAYMENTS TO THE STATE INCLUDING FINANCIAL ASSISTANCE GRANTS, AID FOR ROADS, ALLOCATION OF LOAN PAYMENTS FOR HOUSING, WORKS AND HOUSING BORROWING (THIS IS A SEPARATE ITEM) THE TOTAL PAYMENTS FOR THE STATES BY THE COMMONWEALTH WAS \$202,000,000 AT THAT TIME, AND IN OUR LAST BUDGET WE ESTIMATED THE TOTAL PROVISION WAS ONE THOUSAND TWO HUNDRED AND THIRTY FOUR MILLION DOLLARS WHICH IS JUST OVER SIX TIMES THE TOTAL OF 1949/50, AND NORMALLY THEN YOU HAVE NOT ONLY THE PROVISION OF THE STATE GOVERNMENT TO MAKE OUT OF THEIR RESOURCES BUT THE SEMI-GOVERNMENTAL PROGRAMME WE WORK OUT WITH THE STATE THAT WE TOGETHER REGARD AS A REASONABLE PROGRAMME OF BORROWING FOR SEMI-GOVERNMENT PURPOSES, AND THAT IS THEN ALLOCATED UNDER THE FORMULA OR BASIS ON WHICH THEY AGREE AT THE LOAN COUNCIL MEETING AMONGST THE STATES. NOW THAT IS WHERE MATTERS STAND AT THE PRESENT TIME. IT MAY BE THAT IN SOME PARTICULAR CIRCUMSTANCE THE STATE WILL APPEAL TO THE COMMONWEALTH TO ASSIST IN THE PROVISION OF SERVICES FOR COMMONWEALTH UNDERTAKING AND I REGARD THIS AS BEING PREPARED TO LOOK AT THOSE REQUESTS WHERE THERE HAS BEEN AN ABNORMAL BURDEN PLACED ON STATE OR MUNICIPAL SERVICES BY THE COMMONWEALTH GOVERNMENT. THERE ARE OTHER CASES WHERE ALTHOUGH THE COMMONWEALTH DOESN'T COME INTO IT THE EXPENDITURE IS OF SUCH AN ABNORMAL OR UNUSUAL ORDER THAT REQUESTS ARE MADE TO THE COMMONWEALTH FOR SOME DIRECT ASSISTANCE, SUCH AS IN THE MODERNISATION OF YOUR PORT, HARBOUR FACILITIES, GLADSTONE FOR EXAMPLE, OR THE DEEP ROAD PROGRAMME. NATURES OF THAT SORT HAVE TO BE LOOKED AT ON THEIR MERIT BY THE COMMONWEALTH GOVERNMENT. THERE COULD BE AS I SAY SOME PRIVATE ENTERPRISE DEVELOPMENT WHICH PLACES SO HEAVY A BURDEN ON THE STATE AND MUNICIPAL CAPACITY THAT TO DO THE JOB EFFECTIVELY WE SHOULD GIVE SOME HELP, BUT THAT IS NORMALLY DONE BY THE STATE GOVERNMENT APPLYING FOR A SPECIAL ALLOCATION UNDER THE THE SEMI-GOVERNMENTAL PROGRAMME.

WHAT EXPLANATION DID THE STATES GIVE IN REJECTING YOUR PROPOSAL.

MR. HOLT

WELL I HOPE THEY REGARD THE LOCAL GOVERNING BODIES AS COMING DIRECTLY WITHIN THEIR JURISDICTION. IF THE COMMONWEALTH IS ABLE TO DO ANY MORE IT SHOULD BE DOING IT FOR THE STATES, THE STATES CAN THEN COME TO THEIR DECISION AS TO WHAT OUGHT TO BE DONE FOR THE LOCAL GOVERNING BODIES, AND THAT IS UNDERSTANDABLE. I THINK THE COMMONWEALTH IF IT WERE A PRINCIPAL IN THE MATTER COULD PERHAPS BE MAKING ALLOCATIONS IN A WAY THAT THE STATE KNOWING THE HISTORY OF THAT PARTICULAR AREA MAY REGARD IT AS DISPROPORTIONATE TO ITS NEEDS.

MRS. GIBSON
CENTRAL ISLAND
NEWS PUBLISHING
CO., EMERALD.

AS YOU HAVE VISITED OUR TOWN PERHAPS YOU ARE FAMILIAR WITH WHAT WE CALL THE GAP SCHEME, DAMMING THE MOGOA RIVER FOR IRRIGATION ETC.

MR. HOLT

I CANNOT SAY I AM PERSONALLY FAMILIAR WITH THE CIRCUMSTANCES OF IT. THIS WOULD COME WITHIN THE PROVINCE OF THE MINISTER FOR NATIONAL DEVELOPMENT AND PROVISION FOR NORTHERN DEVELOPMENT.

MRS. GIBSON

THE BUREAU OF AGRICULTURE AND ECONOMICS MADE A REPORT ON THIS 18 MONTHS AGO AND THE NEWSPAPERS REPORTED THIS AS BEING UNECONOMICAL. THIS REPORT HAS NOT YET BEEN RELEASED. HAVE YOU ANY INDICATION WHEN IT MIGHT BE RELEASED?

MR. HOLT

WELL I CAN'T GIVE IT BUT I WILL MAKE ENQUIRIES AND SEE IF I CAN SUPPLY THE INFORMATION TO YOU. WE HAVE PROVIDED IN THIS POLICY SPEECH FOR AN EXTRA AMOUNT TO BE SPENT OVER A PERIOD, I THINK 250,000,000 WAS THE AMOUNT REFERRED TO IN THE POLICY SPEECH AND THIS IS TO BE IN ADDITION TO WHATEVER THE STATES ARE CURRENTLY SPENDING ON WATER CONSERVATION. ARISING OUT OF AN EARLIER POLICY SPEECH WE HAVE SET UP A WATER CONSERVATION COUNCIL AND THERE ARE SOME QUITE LARGE PROJECTS GOING ON THROUGH THE STATES AT THE PRESENT TIME. WE DO HAVE A NUMBER OF REQUESTS IN FROM THE QUEENSLAND GOVERNMENT FOR VARIOUS WATER PROJECTS AND THESE ARE CURRENTLY UNDER INTER-DEPARTMENTAL STUDY BUT I WILL SEE IF I CAN GET SOMETHING SPECIFIC FOR YOU ON IT.

MR. HOENEMAN
"MORNING BULLETIN"
MR. HOLT

HAVE YOU RECEIVED A TELEGRAM FROM THE EMERALD COUNCIL ON THIS MATTER. NOT THAT I AM AWARE OF, IT COULD HAVE GONE TO CANBERRA AND NOT CAUGHT UP WITH ME YET.

MR. ROENEMAN
"MORNING BULLETIN"

THEY ADVISED US THAT IT WENT THROUGH AND THAT THEY WOULD ASK YOU TO MAKE A STATEMENT ON THIS WHILST YOU WERE HERE.

MR. HOLT

THIS HAS NOT BEEN BROUGHT TO MY NOTICE. WE CAN CHECK WHAT HAS COME IN FROM CANBERRA AND WE MAY BE ABLE TO GET SOME INFORMATION ON IT THIS EVENING. WE WILL BE TRYING TO DO THIS AFTER THIS MEETING.

MR. HOLT - ADDRESSING MISS GIBSON.

YOU WERE AT THE BRIGALON DISCUSSIONS.

MISS GIBSON

NO.

MR. HOLT

AS YOU KNOW WE NOT ONLY WENT AHEAD THEN, BUT WE RECENTLY APPROVED OF A MUCH LARGER AREA BEING DEVELOPED.

MR. ALLAN REID SYDNEY DAILY TELEGRAPH

ON T.V. LAST NIGHT YOU SAID IF THE WAR EFFORT IN VIETNAM WAS ESCALATED AUSTRALIA SUBJECT TO ITS OTHER COMMITMENTS AND RESOURCES WOULD CONTRIBUTE UNHESITATINGLY.

IS THERE ANY REASON TO BELIEVE THERE IS GOING TO BE ANY INCREASE IN ESCALATION THERE.

MR. HOLT

NO, YOU WILL REMEMBER THAT IT WASN'T SO MUCH A STATEMENT BY ME AS A REPLY TO A QUESTION PUT TO ME AS A HYPOTHETICAL PROPOSITION IF THERE WAS AN INCREASE IN THE PROVISION MADE BY OUR ALLIES WOULD AUSTRALIA ALSO MAKE SOME INCREASE. AND IN THE SITUATION I HAD TO GIVE MY ANSWER IN RATHER SHORTHAND TERMS BECAUSE I THINK WE DEALT WITH OVER THIRTY QUESTIONS IN 45 MINUTES. QUESTIONS AND ANSWERS WHICH BY THE HOUSE OF REPRESENTATIVES STANDARDS IS FAIRLY GOOD BATTING. I WAS DELIBERATELY TRYING TO KEEP THE ANSWERS AS SHORT AS I COULD BUT YOU WILL BE AWARE THAT ON THE GENERAL QUESTION ON THE ATTITUDE WE WOULD ADOPT I THINK I MADE A FAIRLY LENGTHY COMMENT ON MY RETURN FROM MANILA, WHICH IS ON RECORD, AND WHAT I WAS SAYING IN EFFECT LAST NIGHT, WAS THAT, IF CIRCUMSTANCES DEVELOPED THERE WHICH CALLED FOR A SIGNIFICANT INCREASE IN PROVISION BY OUR ALLIES, THEN I FELT IT PROPER THAT AUSTRALIA SHOULD LOOK TO ITS CONTRIBUTION SUBJECT TO THE CONSIDERATIONS I MENTIONED, WHICH OUR COMMITMENTS MIGHT BE IN OTHER DIRECTIONS, AND OUR CAPACITY TO HELP. EARLIER ON RETURNING FROM

MANILA WHEN ASKED WHETHER THERE WAS ANY INTENTION OF INCREASIN
OUR FORCES I SAID THAT FROM TIME TO TIME WE DID REVIEW THE
SITUATION IN THE LIGHT OF WHATEVER DEVELOPED AND THE DECISION THAT
WAS THEN TAKEN WAS THE DECISION OF THE CABINET AND TAKEN AFTER THE
ADVICE OF OUR EXPERT ADVISERS. THAT WOULD BE THE SHORT DECISION
ON THE MATTER, BUT THERE HAS BEEN NO WORSENING OF THE SITUATION
TO WHICH I COULD CURRENTLY POINT. I THINK THE MILITARY OPERATIONS
ARE GOING ALONG WELL AND THE NUMBER OF DEFECTIONS APPEAR TO BE
INCREASING ALSO.

MR. ALLSOP
"SYDNEY SUN"

HAVE YOU ANY PARTICULAR REASON FOR VISITING ROCKHAMPTON. DO
YOU THINK THAT CAPRICORNIA IS AGAINST YOU?

MR. HOLT

I DON'T ARRANGE MY ITINERARIES, THE STATE ORGANISATION ARRANGES
THEM AND I AM THE HUMBLE INSTRUMENT OF LIBERAL DEMOCHACY FOR
THESE PURPOSES.

MR. ALLSOP
"SYDNEY SUN"

I THINK THERE IS SOMETHING SINISTER SOMEWHERE.

MR. HOLT

I THINK I WAS IN ROCKHAMPTON FOR QUITE A SHORT TIME EARLIER THIS
YEAR WHEN I WAS IN MACKAY FOR RATHER A LONGER TIME IN CONNECTION
WITH THE BY-ELECTION THERE AND IT WAS FOR REASONS WHICH I WELL
APPRECIATE, DESIRABLE THAT I SHOULD NOT CONFINE MYSELF TO THE
METROPOLITAN CENTRES IN VICTORIA, N.S.W. AND IN THIS STATE. I DON'T
THINK WE GOT OUTSIDE PERTH IN WEST AUSTRALIA, BUT THERE WAS A TIME
FACTOR THERE AND I HAVE OVER RECENT YEARS MADE A FAIRLY EXTENSIVE
TOUR OF THE DEVELOPMENT AREAS OF WEST AUSTRALIA. I THINK IT GOOD
THAT WE SHOULD GET OUTSIDE THE CAPITALS WHERE THAT IS PRACTICABLE
AND I HAD A VERY WARM RECEPTION IN ROCKHAMPTON (WARM IN THE SENSE
OF BEING FRIENDLY) WHEN I CAME THROUGH BEFORE SO I WAS GLAD WHEN
I FOUND THAT THIS HAD BEEN INCLUDED IN THE ITINERARY.

MR. A. RAMSEY
"THE AUSTRALIAN"

MR. BARTON SAID IN SYDNEY YESTERDAY THAT HE HAD SENT YOU A LETTER
CHALLENGING YOU TO A T.V. PROGRAMME. DID YOU RECEIVE THIS LETTER?

MR. HOLT

WELL AGAIN IT COULD HAVE GONE TO CANBERRA. I DON'T DOUBT THAT HE
DID SEND SUCH A LETTER OR THAT IT DID CONTAIN SUCH AN INVITATION.
I CAN WELL IMAGINE THAT MR. BARTON HAS TO RESORT TO SOME OF THESE
DEVICES IN ORDER TO DEVELOP PUBLIC INTEREST IN A GROUP WHICH SO FAR
DOSENT SEEM TO HAVE ATTRACTED MUCH INTEREST SO FAR AS I HAVE BEN

AWARE AND I AM AFRAID HE WILL HAVE TO LEARN THE HARD WAY ABOUT GETTING YOUR OWN AUDIENCES. I HAVE BEEN IN POLITICS FOR MORE THAN THIRTY YEARS BEFORE I COULD GET THE KIND OF AUDIENCES I AM NOW GETTING. I DON'T SEE WHY HE SHOULD GET THEM AT HIS FIRST ATTEMPT WITHOUT RUNNING AS A CANDIDATE. THERE IS NOTHING TO STOP HIM PUTTING HIS VIEWS FORWARD PUBLICLY THAT IS WHAT OTHERS HAVE TO DO.

MR. ALLSOP
-SYDNEY SUN-

ARE YOU ABLE TO TAKE YOUR REFERENCE TO THAILAND ANY FURTHER. YOU SAID THAILAND WAS GOING TO PLAY AN INCREASING PART IN VIETNAM.

MR. MOLT

I WASN'T THINKING OF VIETNAM SO MUCH AS THE FACT THAT THAILAND BECAUSE OF THE PRESSURES WHICH HAVE BEEN DEVELOPING IN THAILAND WOULD HAVE TO PLAY AN INCREASING PART IN RELATION TO COMMUNIST GORILLA ACTIVITIES, AND THIS HAS BEEN VERY MUCH ON THEIR MINDS ALL ALONG THAT DANGER WAS THERE. YOU MAY REMEMBER THAT AT AN EARLIER PART OF THE YEAR I SAID THAT IF WE WERE SUCCESSFUL IN PREVENTING LARGE SCALE MILITARY OPERATIONS IN VIETNAM I THOUGHT YOU WOULD FIND THE VIET CONG RESORTING TO THE MORE TYPICAL GORILLA ACTIVITIES AND I HAVE ALWAYS FELT TO DEAL WITH THIS MATTER SATISFACTORILY THERE HAD TO BE A POLITICAL NEGOTIATION AND SOLUTION DERIVED FROM THAT NEGOTIATION, OTHERWISE, AS IN MALAYA WE FOUND BY BRINGING THE SITUATION UNDER CONTROL BY MILITARY MEANS THAT A GOOD DEAL OF MERCHIVOUS DAMAGING ACTIVITIES PERSISTED BY GORILLA ACTIVITIES THROUGH A COMPARATIVELY SMALL NUMBER OF PEOPLE. THERE ARE A FEW THINGS WHICH I WILL BE MENTIONING TONIGHT WHICH I HOPE WILL ADD A FRESH NOTE OR TWO TO THIS AREA ANYHOW. I THINK IT PREFERABLE TO DEAL WITH IT AT A PUBLIC MEETING THAN HERE BUT THIS HAS PROVIDED AN OPPORTUNITY TO CLEAN UP SOME OF THE UNCERTAINTIES THERE WAS ONE POINT WHICH I THINK MIGHT BE STRESSED - MR. CALWELL'S ALLEGATION MADE MORE THAN ONCE THAT HE BELIEVES THAT THERE WAS SOME SECRET ARRANGEMENT ENTERED INTO AT MANILA ON THE QUESTION OF TROOPS. THERE IS NO FOUNDATION FOR THAT WHATEVER.

MR. LAMSEY
THE AUSTRALIAN

MR. MCENIN IS REPORTED AS SAYING IN MELBOURNE REGARDING THE LIBERAL PARTY CAMPAIGN IN WEST AUSTRALIA THAT HE IS CONCERNED ENOUGH TO BE GOING BACK A SECOND TIME. YOU HAD SOME COMMENTS TO MAKE ABOUT THE BASIC INDUSTRIES GROUP PRIOR TO THIS. HAS HE BEEN IN TOUCH WITH YOU ABOUT THIS.

THE HUNT

NO HE HAS NOT. I THINK I MADE MY POSITION CLEAR ABOUT THE BASIC INDUSTRIES GROUP. I HAVE HAD NO CONTACT OR COMMUNICATION WITH THEM AND THE FIRST I KNEW OF THEIR EXISTENCE WAS WHAT I READ IN THE NEWSPAPER. I DO NOT KNOW WHO THEY ARE OR WHAT THEIR MOTIVES ARE OTHER THAN WHAT I HAVE READ IN THE PRESS. I WOULD NOT BE PERSUADED IN THE NETT RESULT THAT WHAT THEY WERE DOING WAS HELPFUL RATHER THAN OTHERWISE. AS FOR THE POSITION IN THE WEST I THINK I MENTIONED SOMETHING ABOUT THIS WHEN I WAS OVER THERE, THAT THE COUNTRY PARTY AND THE LIBERALS HAVE ACTIVELY COMPETED ONE WITH EACH OTHER AT ELECTION TIME AND BOTH THESE SEATS THAT ARE UNDER DISCUSSION HAVE AT ONE POINT OF TIME IN RECENT POLITICAL HISTORY BEEN HELD BY THE LIBERAL PARTY, AND YOU MAY REMEMBER A LEADING FIGURE IN THE COUNTRY PARTY STOOD AS AN INDEPENDENT HAVING RESIGNED HIS MEMBERSHIP OF THE COUNTRY PARTY APPARENTLY FOR THAT PURPOSE AGAINST ONE OF MY MINISTERIAL COLLEAGUES, ONE OF THE MINISTERS I THINK AT THE LAST ELECTION. HOWEVER, THERE IS A FAIRLY WELL ESTABLISHED TRADITION OF ELECTION CONTESTS BETWEEN THE TWO PARTIES BUT THERE IS A COALITION GOVERNMENT IN THE STATE THERE. AS FOR OUR FEDERAL COALITION THIS IS FUNCTIONING HARMONIOUSLY. I WAS APPRECIATIVE OF THE REFERENCE MR. McSWIN MADE TO THIS IN THE HOUSE OF REPRESENTATIVES WHEN HE HAD THE FINAL SPEECHES ON THE ADJOURNMENT MOTION. AS FAR AS I AM CONCERNED I HAVE NOT PLAYED A PART, ACTIVE OR OTHERWISE, IN RELATION TO THIS, AND AT THE ONLY MEETING I HAVE ADDRESSED IN AN AREA WHERE THERE WERE TWO CANDIDATES A LIBERAL AND COUNTRY PARTY CANDIDATE STANDING, BOTH WERE ON THE PLATFORM AND MY INJUNCTION TO THE AUDIENCE WAS MAY THE BETTER MAN WIN.