

Queensland



Parliamentary Debates
[Hansard]

Legislative Assembly

FRIDAY, 21 SEPTEMBER 1866

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LEGISLATIVE ASSEMBLY.

Friday, 21 September, 1866.

Stamp Duties Bill.

STAMP DUTIES BILL.

The COLONIAL TREASURER: Sir—In moving the second reading of a Bill to impose stamp duties, I may mention that it is entirely for the purposes of revenue that this Bill has been drawn up by the Government; it is, in fact, a charge upon property in every sense of the term, and a charge upon all business transactions. It is also the most convenient way in which the Government can collect revenue, and we believe that under the provisions of this Act we shall be able to obtain a large amount of revenue at the minimum expense for collection. I believe, myself, that it is a magnificent mode of extracting money from the subject, and that after we have perfected our little arrangements for putting on the screw, the cost of collecting the duties will not exceed one per cent. I have denuded this Bill of many of the objections to the Stamp Act in existence in New South Wales, and have endeavored to make it as simple and efficacious as possible. We have taken care to frame it in

such a way that no one can sign receipts for money, or draw bills, either singly or otherwise, without contributing to the revenue. There is no means of avoiding a tax under this Bill, and it will be impossible to carry on business in any shape or form, or to draw up any documents, without coming under the operation of this beautiful invention. The only things I have forgotten to tax are babies. I do not think there is any charge for them; but I believe that in every subsequent phase of a man's existence, from the time of his apprenticeship until he is laid under the sod, he will have to pay taxes under this Bill; and after his death, if he leave property behind him, his representatives will have to pay taxes under the provisions of this Bill. No man can undertake to act as a trustee in an intestate or other estate where property is concerned without having stamp duties to pay. We have also paid a little attention to the profession. No youngster can sign articles of clerkship to an attorney, without paying a substantial contribution towards the revenue. The charge for articles of clerkship is put down at ten guineas, a very small sum compared with the charge at home. The only exemption we have made is in favor of the medical profession. We have a medical gentleman, a member of this House, and we have such an extreme regard for him, that we look upon his profession with a kindly eye, and have exempted it from the payment of stamp duties. The squatter cannot ship a bale of wool without having to pay for his bill of lading, and he cannot draw against that shipment without having to pay in another form. In fact, he cannot make use of any shipping documents, or raise the wind by any means whatever, without being compelled to pay handsomely by this process. Nor can he transfer his run, without contributing liberally to the revenue. A man cannot mortgage his property, without assisting the State by means of this machinery. The revenue we expect to derive from the operation of this measure, if accepted by the Parliament and passed into law, will be £35,000 the first year; and after the Bill has been in operation for some time, I certainly anticipate that—say in 1868—we shall collect at least £100,000 from it, and that will be a very handsome revenue. This Bill will not be inquisitive in its operation; the mode of collecting the revenue will be free from all objections on that score. It will be quite optional for anyone to take any step which renders him liable to contribute to the revenue; but if he goes into business, or deals in property, or exercises the functions of a trader, a farmer, squatter, or sugar-grower, or in fact transacts any business of any description, he must pay his contribution to the revenue under this Act. I will not occupy the time of the House any longer by descanting upon this measure, as it speaks for itself. There is a long schedule attached

to it containing the different charges to which I have referred. I now move that the Bill be read a second time.

Mr. R. CRIBB said the Colonial Treasurer had introduced the Bill in a very jocular way, and had stated that a man would be taxed at every stage of his life under it. But, in his opinion, the taxation was already sufficiently heavy without such an additional burden. He did not, however, object so much to the tax itself, as to the mode in which it was proposed to collect it. As the Bill at present stood, it would interfere in every commercial transaction, and often very injuriously and obnoxiously. For his part, though not personally concerned, he would sooner pay double, treble, or even quadruple, the amount than have his transactions fettered by such restrictions. Not only was the Bill bad in principle, but it would be very oppressive in its operation. In a young country, where land was continually changing hands, sometimes three or four times a year, such a tax would be almost prohibitory. For instance, honorable members would see in the schedule, page 13—

Conveyance of any kind or description whatsoever or any transfer under the provisions of the Real Property Act of any property in respect of the principal or only writing whereby the property sold shall be conveyed to or vested in the purchaser or any other person or persons by his direction—

Where the purchase or consideration	£	s.	d.
money shall not exceed £50	...	0	7 6
And where the same shall exceed £50	...		
and not exceed £100	...	0	12 6
Then for every £100 and any fractional part of £100	...	0	15 0

Every time a small piece of land changed hands there would be a charge of seven shillings and sixpence, besides the fee for registration. Such a tax would press very heavily upon the poorer classes. Then, again, there was a tax of fifteen shillings upon the transfer of every piece of land worth £100, and for every fractional part of £100 another fifteen shillings. So that a person wishing to transfer 101 acres, would be liable to a tax of thirty shillings, and that tax would be repeated every time it changed hands. And if a large section of land, say 2,000 acres, were transferred, the charge would be exorbitant. In England, he believed the highest charge was five shillings; but, under the provisions of this Act, there was no limit whatever. Again the tax upon the transfer of stock was very oppressive—

And where the consideration or any part of the consideration shall be in any stock in any of the public funds or Government debentures or stock or any debenture or stock of any person payable only at the will of the debtor the said duty shall be calculated (taking the same respectively whether constituting the whole or a part only of such consideration) according to the average selling price thereof.

He would point out that many of the shares

in public companies in Queensland were five pound shares, with one pound paid up. There might be two pound shares in some companies; he was not sure, but at any rate most of them were five pounds. Well, the transfer of a share under the provisions of the bill before the House would be two shillings and sixpence, and if a person transferred one hundred shares at five pounds with one pound paid up, he would have to pay twelve pounds ten shillings or one-eighth of the paid up capital. The Colonial Treasurer might well say that no one would be able to escape taxation. He believed the same objections would be seen throughout the Bill. In fact, he considered it a most objectionable measure, and one which was not needed at the present time. The honorable member for Drayton and Toowoomba had tabled a motion for Wednesday next which, if carried, would obviate the necessity for passing such a measure, and he hoped the Colonial Treasurer would consent to postpone the further consideration of the Stamp Duties Act, until that motion had been discussed by the House.

The COLONIAL TREASURER rose in explanation, and said he could not avoid expressing his surprise at the remarks of the honorable member for East Moreton. If that honorable member and the honorable member for Drayton and Toowoomba were going to take upon themselves the government of the colony, of course it was competent for them to do so, provided they could obtain the support of a majority of the House. If not, the suggestion was absurd. It was, in fact, a suggestion that the Government should abandon their rights and privileges to satisfy the whims of two honorable members. The Government declined to do so, and unless the House expressed a wish to the contrary, they would proceed with the second reading of the Bill.

Mr. WALSH said he thought honorable members were quite justified in making suggestions to the Government, even although they might appear to be mere whims, for it could not surely be the desire of the Government to decline the assistance of honorable members, or to make use of their position to prevent free discussion. With reference to the Bill before the House, he believed it would have the effect of producing a large revenue, and so far it might be of great advantage to the country, and probably be the best means of putting a tax upon property which could be devised at the present time. But the taxes in some cases appeared to be excessive; he would allude to one which was particularly so, and would press very heavily upon one class of colonists; he referred to the tax of four per cent. on promissory notes issued by banking companies. That would be found to press very severely upon the bankers, and it must be borne in mind, that whatever injured the banks, would financially injure other members of the community and,

directly or indirectly, the whole colony. It was unwarrantable to legislate so as to pay off a class of colonists who were not at the time in particular favor, because it might be in their power at some future time to retaliate. He deeply regretted the necessity for imposing such a frightful taxation. In his opinion a mistaken system had been adopted. To tax the whole colony to meet the indebtedness, which had been brought about by the lavish extravagance of only one section of it was, in his opinion, extremely unfair. He did not hesitate to say, that the principal debt of the colony ought to be paid by the southern section for whose benefit alone it had been incurred. He believed it would not be retaliation, it would be simply justice—though perhaps it would not be possible at the present time—to devise some means by which funds should be raised from the southern portions of the colony to pay for the expensive works undertaken solely for the south. What benefit had three-fourths of the colony derived from the large expenditure they had involved? Yet the whole community was to be equally taxed, and colonists who lived a thousand miles off had a tax put upon everything they eat or drank, and would have to pay as heavily as that portion of the colony which had been raised to such an unfortunate state by the expenditure of money which belonged equally to all. He did not think the northern representatives in the House would be doing justice to their constituents, if they did not place on record the opinion they must entertain, that the taxation about to be levied on the colony, generally, was unjust as far as the north was concerned, and should have been restricted to those districts which created the necessity for it. He would observe that within the last week, a very important personage in Brisbane, one who exercised an influence over a large number of the colonists, had distinctly told him that, as far as the Darling Downs railway was concerned, the inhabitants of the Darling Downs ought to be made to pay for it, and he (Mr. Walsh) had stated that that was his conviction. That portion of the colony had exercised by far too much influence, and ought, in justice, to pay a great portion of the frightful outlay which had already been commenced, and, as it appeared, would have to be continued. At the same time, it must not be forgotten that the inhabitants of Ipswich had a great deal to do with it. It was, however, impossible, no matter how strong his feelings were on the subject, to oppose the Government in what was, no doubt, their conscientious desire to settle the affairs of the country; and he should, therefore, only add that he looked upon the Bill before the House as, perhaps, under the circumstances, the best scheme which could be devised to repair the extravagance which had been caused by the southern portions of the colony.

Mr. FORBES said he looked upon the measure before the House as totally at variance with one of the leading principles of taxation, for the taxes which would be levied under its provisions, or the greater portion of them, would not be applied to the purposes for which they were intended—that was to say, the cost of collection would be so great, that the people would be oppressed with an inquisitive tax, and no adequate benefit to the State would be derived. He thought some scheme might have been devised to bear more equally upon the colony, generally. He was not, however, prepared to place his own opinions in opposition to the Government. It was clear that money must be had by some means or other; it had become absolutely necessary, and there appeared to be no other source from which the Government could derive a revenue. He was, therefore, of course, obliged to give way. With reference to the remarks which had fallen from the honorable member for Maryborough, he agreed to a great extent with him, and looking to the system of log-rolling, which had been explained to the House, he certainly thought the log-rollers should pay the largest share of the outlay. But he did not see how it would be possible to devise a scheme to carry that into effect. The suggestion he was about to make was a far more tangible one, and that was to stop the useless expenditure upon the thirty miles of railway in the north—useless, inasmuch as he had been assured by persons in the north that they did not desire it, and because it would require three or four times as much money as had already been spent upon it, and a large expenditure to keep it in order. As to its probable reproductiveness, other persons knew more than he did; he could only say that it appeared to him to be a useless and expensive undertaking, which was not warranted by the present financial condition of the colony. When the House went into committee upon the Bill, he thought that some of its most obnoxious principles might be expunged, and perhaps, with a little modification, and by denuding it entirely of the magnificence which the honorable Colonial Treasurer had dilated upon, it might be made more palatable to the country than it was in its present form.

Mr. FITZSIMMONS said it was not his intention to oppose the motion for the second reading of the Bill, although there were many points in it with which he could not agree. He objected to the proposed tax on bank notes, because it would not only injure the bankers but would have an injurious effect upon the mercantile community, the grazing community, and, in fact, upon the whole population of the colony. The issue of Treasury notes, in itself, would be very injurious to the banks, and would considerably curtail their operations; and, with the additional tax of four per cent. upon the issue

of their promissory notes, they would not be able to exist, and it must be borne in mind that they held three-fourths of the property of the colony in their hands, and if they were to wind up their affairs nothing but ruin would follow in their wake. The Government seemed to think they had achieved a great success in having devised a scheme to raise such a large revenue; but they ought not to put it into operation at the expense of the whole community. They had better tax property, or adopt any kind of tax, rather than one which would drive the banking institutions from the colony. A great deal of recklessness on the subject of railways had been displayed, and, no doubt, there was a great deal of justice in the remarks of the honorable member for Maryborough—the large expenditure had been confined to one portion of the colony, and the time would doubtless arrive when that expenditure would be charged to its proper source. It was in the power of the House to inflict a gross injustice upon those who were far removed from the seat of Government, but a day of retribution would come, and the lavish expenditure would have to be paid by those who had incurred it. No greater injustice had been committed than towards the northern districts. It would be found that one town alone, which paid into the Treasury a revenue equal to two-thirds of the amount received in Brisbane, was only represented by one member, while Ipswich had no less than six. The town of Ipswich, which did not return more than two-thirds of the customs revenue returned by Rockhampton was represented by six members, while Rockhampton had but one. That was, undoubtedly, a gross injustice, for had that town been fairly represented, the Government would not have been able to carry through the measures of which the North had just reason to complain. But, as matters stood, Brisbane and Ipswich united could carry any measure they chose through the House. He would ask if such a state of things ought to be tolerated? It had several times been brought under the notice of the House, but no attention had been paid to it. But, as he had already said, the time of retribution would come; already the agitation in the North, to obtain justice for the wrongs it had suffered for a number of years was gaining ground, and the time could not be far distant when their claims must be recognised.

Mr. HALY, said he had never felt so much difficulty since he had been a member of the House, in deciding how he should vote. He deeply deplored the miserable state into which the Government and the Parliament had brought this young and hitherto prosperous colony. He scarcely knew whether he ought to vote for or against the Bill. He should wait until he had heard other honorable members express their opinions upon it. He had, however, the satisfaction of being able to say that he had

been no party to the extravagance which had brought about the present embarrassments. He had voted against the railway, from the first, and the result was that he had been turned out by his constituents. He had told them that he should advocate no line of railway, until the inhabitants of that portion of the colony, in which it was required, could shew the House that they were in a position to pay, by assessments on their property, the interest upon the money borrowed for its construction; and if he had been returned upon that ground, he should have felt it his duty to have kept the House up, night after night, before he would have allowed a scheme to have been carried out which had entailed such distress upon the country. But his constituents prevented him from exercising—he would not say his talents, but his bodily strength, in resisting that outlay. He had always entertained a strong opinion that the railways would be the ruin of the country. When the heavy tax, but recently passed, was considered, the imposition of the duties provided by the Bill before the House which taxed everything, except, as the Colonial Treasurer had remarked, little babies, became a very serious matter; he did not know what the colony was drifting to, or how it could possibly thrive. On the other hand, it was evident that the country was in such a state that some desperate measure was necessary, and it behoved honorable members to take some steps to pay their debts like honorable men. Between the two aspects of the question he hardly knew how to vote. He could, however, conscientiously acquit himself of any share in the extravagance which had brought about the present indebtedness.

Mr. BROOKES said he felt very much in the same position; he hardly knew whether to vote for the Bill or not. He must say he felt a strong inclination to vote against it. It had been introduced that afternoon for its second reading in a very strange manner. It had been presented to the House as a magnificent scheme to draw money out of the pocket of the subject, and on that ground, he supposed, honorable members were asked to vote for it. But that was, in his opinion, the strongest reason for voting against it. He would point out to the Colonial Treasurer that the financial results which he anticipated from its operation were not at all likely to be realised, and he thought the honorable gentleman might very gracefully adopt the suggestion made by the honorable member for East Moreton, and let the Bill stand over for a time. The House had done very well that week, and he thought the legislation of the previous day was far better calculated to extricate the colony from its difficulties than the measure under consideration. The Bill was not only of an inquisitorial character, but it was literally saturated with inquisitiveness; and all the arguments which could be directed against the most

objectionable forms of indirect taxation would apply to it. It offered a premium to lying and fraud. The least conscientious man would derive the least injury from it. It would fetter every department of trade; and its stringent provisions would lead to a deterioration of the moral sense of the community, which had not—without this Bill—reached too high a standard. But what was the position in which they stood as a colony at the present time? They had got into difficulties, and intended to struggle manfully to extricate themselves; and any really statesmanlike tax would be cordially supported by the whole community. But the measure submitted to the House was one from which every member of the community would instinctively recoil and endeavor to evade. He did not agree with the honorable member who had remarked that if the proposed tax of four per cent. upon bank promissory notes were enforced, the banks would all leave the colony. They knew their own interest too well for that. But they would charge their customers with every shilling they had to pay. They would act precisely as a great many persons outside, as well as many honorable members in the House, were disposed to act;—they would tax everyone but themselves. He thought the motion of which the honorable member for Toowoomba had given notice might have received some little consideration from the House; and he would ask the honorable Colonial Treasurer if he would allow this Bill to lie quietly by until it had been calmly discussed and decided whether, as all commodities brought into the colony were to be taxed, wool, tallow, and hides should be exempted.

Mr. HALY: And cotton.

Mr. BROOKES: And cotton, certainly. Honorable members who would be directly or indirectly affected by such a duty must not run away with the idea that the question would be unfairly discussed. He felt convinced that it would be debated without any personal or narrow feeling; and it would be of great advantage to have the subject fairly and calmly considered. The question which had now to be decided was whether, by voting for the second reading of the Bill, honorable members should give a partial and modified assent to a measure which they did not believe in, and that just at the time when the fact was before the country that wool, tallow, and hides did not contribute their fair share. If the honorable members he had referred to could establish the fact that the rents and assessments they had to pay were equal to a tax upon wool, he should be quite content; he was quite open to conviction, for no one had less desire to place an undue burden upon the pastoral tenants of the Crown. In the meantime, he hoped the House would pause before passing the Bill, and that the honorable Colonial Treasurer would not press his motion for its second reading, but allow it to lie by for a time, and

come on again for discussion in its proper place, after measures of greater importance.

Mr. PALMER said that, after the remarks which had been made by the honorable member for Maryborough, he felt bound to record his opinion that the northern and western districts had been unfairly treated, in consequence of the extravagance and misgovernment of the south. But he could not see that any steps could be taken just now to repair that injustice. The duty, however, of honorable members at the present time was to exert themselves to get the ship out of the breakers, and they could arrange about the salvage afterwards. If he should have the honor of a seat in the House hereafter, he should put in a strong claim for salvage in favor of the north and west, in view of the fact that the heaviest debt upon the colony had been created entirely by the south. In place of imposing a tax which would press equally upon those portions of the colony which had derived no advantage whatever from the outlay which gave rise to it, he would suggest the propriety of at once disposing of the lands along the line of railway. He could not understand why they should be retained. Land was the only article which the Government had to dispose of, and there were plenty of persons in the other colonies ready to take it up. From that source, the interest on the borrowed money could be paid, and the enormous taxation now proposed would be no longer necessary. If the present system were continued, things would be in just as bad a state next year. He did not think, either, that the Colonial Treasurer would find his anticipations as to the revenue to be derived from the *ad valorem* duties imposed by any means realised; because, as the different articles were taxed, their consumption would decrease; and he believed it was upon the present rate of importation that the honorable member had based his calculations. He had a strong objection to be taxed himself, or to put a tax upon others; but he must say that if a tax became necessary, he should prefer a stamp duty to any other, as a measure of justice, because it was a tax upon property. He thought no one could say that such a tax pressed heavily upon the poor man in particular, although it would be felt by every one. On the whole, he considered it a fair tax, although extreme in some cases; for instance, the tax upon bank notes. Four per cent. seemed a large sum to charge upon bank notes. In New South Wales, the tax which had been in force for eighteen months was two per cent.; and he had not heard that the bankers objected to it. There they had five per cent. *ad valorem* duties; while, under the provisions of the Bill passed through the House the other day, seven and a half per cent. was levied in this colony. Taking the charges in the sister colony as the basis of calculation, he would suggest in committee that the same propor-

tion be adopted here, and that the duty upon bank notes be reduced to three per cent. It was not, however, the time to go into the question of rates. Before sitting down, he would observe, that while he was speaking he had heard a remark quietly made behind him, that it was quite right Brisbane and Ipswich should have the government of the colony, as they possessed two-thirds of the population. That he considered a very bad argument, for it was well known how that population was obtained. The immigrants who arrived from the old country were kept in Brisbane and Ipswich until they were in a state of starvation; and it was only then that some eighty or a hundred were sent to the interior. The rest were kept to swell the population of those two towns, so that it might be said Brisbane and Ipswich were entitled to govern the colony. There was ample work for all those starving immigrants in the north, where almost any amount of labor could be absorbed, and where laborers were getting twenty-five shillings a week with rations.

Mr. PUGH, after remarking that he was not aware, till he was informed by the honorable member who had just sat down, that the members for Ipswich and Brisbane were able to put in or turn out any ministry whenever they liked, went on to say that he felt very much as some other honorable members in regard to the Bill before the House. He had always been in favor of a Stamp Duty Bill of some kind; but he must say that he was not prepared for such a sweeping measure as this. An honorable member had pointed out what appeared to be a very fatal defect in the Bill, and when the House went into committee on the Bill it would be necessary for honorable members to take care and see that that defect was remedied. He thought the suggestion that had been made by the honorable member for Port Curtis was a very feasible one, and he hoped the honorable the Treasurer would accept of it. Three per cent. was as high a stamp duty as should be imposed in connection with an *ad valorem* duty of seven and a half per cent. He had found that the *ad valorem* duty would bear so heavily on many articles of merchandise as to have a most depressing effect on trade. Short of checking business altogether, the most had been done that could be done in that direction, by imposing such a heavy duty; and he could assure the honorable the Treasurer that so depressing would be its effect that he would find himself most woefully out in his calculations as to the amount of revenue he would derive from that source. The suggestion that was made as to the postponement of the second reading of the Bill till after the discussion that would take place on the resolution of the honorable member for Toowoomba, might have been met with a little more favor or courtesy than it was. If, however, the honorable the Treasurer was determined to have the Bill

read a second time that day, he should not feel disposed to give his vote against it; but in voting for the second reading of the Bill now, it would be with the full understanding that he should not thereby be precluded from doing all that was in his power to have the amount of the duty reduced when the Bill was in committee.

The SECRETARY FOR PUBLIC WORKS said he did not see that it was at all necessary to take up the time of the House now in debating whether the way in which the public works of the colony had been carried out was right or wrong. The question to be decided now was, how were they to get out of the trouble they had run their heads into? Now, that could only be done by taxation, and as a stamp duty was one of those taxes that must fall upon property it was less objectionable than any other that could be proposed; for it would only fall upon those who were able to pay it. If any one, for the sake of his own pocket, might be excused for voting against any taxation, he might be excused if he voted against the Bill now before the House; for if it passed in its integrity, he should have to pay nine hundred pounds as soon as it came into operation. Now, if anything could be considered a sufficient inducement to vote against the Bill, assuredly that was one. But he felt it was absolutely necessary to raise a revenue from some source—indeed, he might say from various sources—and believing that a large revenue would be derived from this source, he should certainly support the Bill. With regard to what had fallen from some other honorable members as to the *ad valorem* duties, he also believed that they would not realise the amount expected from them. However, time would tell. With regard to what had fallen from the honorable member for Port Curtis, Mr. Palmer, as to the sale of land along the railway line, he might inform the honorable member that a large quantity had already been offered along the line, and it remained unsold. Should the Leasing Bill be passed into law, it was possible that such lands might be taken up and occupied under its provisions, should they not be previously disposed of by auction, or by selection. It might, therefore, be possible yet, to dispose advantageously of the lands along the line. He could assure the honorable member, that he would place no obstacle in the way of the selling of those lands, as he believed that from the sale of those lands a large amount might be obtained towards the construction of the lines. The blame of entering into such expensive works, as those railways had been and would yet be, did not attach to the present Ministry; and he, for one, did the utmost in his power to prevent one of those branch lines being undertaken. However, he found now that they had got into a difficulty,—and he must say that many of those honorable members who had spoken most strongly against the measures proposed

for getting out of the difficulty, were the very members who did most to lead the Government into the mess. The honorable member for East Moreton, for example, did all he could to induce the expenditure that had contributed so largely to the present difficulty. He did not, himself, regret so much the expenditure on the main lines, for, though the burden of it might press heavily upon the colony for some time, the main lines would ultimately be of great benefit in opening up and furthering the settlement of the country, and promoting the disposal of Crown lands in the interior. They would be of great benefit in placing large districts of country within easy reach of a market. Therefore, though the expense might press heavily now, those lines, when completed, would be found to be a great blessing—generally as well as locally. He hoped honorable members would not object to the second reading of the Bill now; and he was sure that if they desired to make amendments upon it in committee, the Government would let them do so as far as they could.

Dr. CHALLINOR corrected the honorable member for Rockhampton, in stating that Ipswich returned six members to the Assembly. Of the six members referred to, three only were for Ipswich, and the other three were for West Moreton. It would, he remarked, be equally correct for him to maintain that as Rockhampton was the port of entry for the Leichhardt and other districts represented in the Assembly, therefore Rockhampton returned five members. Coming to the question before the House, he said he was not so certain that a stamp duty was necessary. He certainly thought that property should bear its fair share of the taxation required to be imposed, in order to meet the difficulty in which the colony was at present placed with reference to financial matters; but he was quite confident that, so far as the stamp duty was imposed upon merchandise, it was not the merchants, but the consumers, that would have to pay it. And there was another thing to be considered, and it was this, that the duty must be multiplied by as many times as the article changed hands till it was sold to the consumer. Now, it was a very different thing with real property. It was not continually changing hands; but if once sold, and thereby made subject to the payment of the duty, it might remain in the same hands for a lifetime. At present the colony was paying, he believed, about eight per cent. on the railway loan.

The COLONIAL TREASURER: The amount was six per cent. nominally, but the real amount would be about eight per cent.

Dr. CHALLINOR: Well, he would take it at eight per cent., and at that rate he found that the total interest on the cost of the Warwick line would be £24,000, which was but a small sum in comparison with the extent of the financial difficulty. Now, if

that was the only burden that pressed upon the colony, the raising of that amount would not be a great matter. He must say that he did not see any necessity for the second reading of the Bill being pressed that day. As another important matter was to be introduced to the House on Wednesday next, he thought the second reading of the Bill might be allowed to stand over till after the discussion upon it; and, he would, therefore, move that the present debate be adjourned till Thursday next.

Mr. R. CRIBB said he thought it was high time the House took some cognizance of the despotic way in which some honorable members attempted to conduct themselves. He believed he was sent into the House to assist in legislating for the country; and he believed he had as much right as any other honorable member to take any step he deemed necessary, for the benefit of his constituents. He represented, he believed, the most important constituency in the colony—that of East Moreton. Though it was the most important constituency in the colony, it was the least represented. Those were statements, the truth of which he believed would be admitted by all parties. Such being the case, why should the honorable the Colonial Treasurer attempt to put him down, as he had attempted to do this morning? But he would warn the honorable the Colonial Treasurer, that neither he nor all the members of the Government together would put him down. He never stood up in the House to speak but upon subjects there was some interest in; and when he did so, he did not deliver long rigmarole speeches there was no meaning in. He could appeal to the honorable the Speaker, if what he now said was not correct, and whether he ever brought forward any motion that was of a factious nature, or that was not directed to the good of the colony at large. Now, if such was the case, was a member of the Government, merely because he was a member of the Government, to attempt to put down discussion or anything like suggestion that might come from any private member? He hoped there would be an end put to such conduct. The conduct of the honorable the Colonial Treasurer towards him was only a repetition of his conduct on the previous day. He now gave honorable members of the Government fair warning, that if such conduct was continued, he would decidedly take more notice of it. Were honorable members to be told by the Government that they were not to be allowed to discuss any question that might be brought forward in the House, but that they were pliantly to accede to everything that was proposed by the Government? What was the district of Eastern Downs, which was represented by the honorable the Treasurer, compared with the district of East Moreton, which he had the honor to represent? And what was the size of the constituency of Eastern Downs as compared with that of the constituency of East Moreton?

Why, not one-half; and yet, forsooth, the honorable member for the Eastern Downs would attempt to rule every other honorable member in the House. As to the question before the House, he thought the debate ought to be adjourned till Thursday next, when the result of the debate on the motion to be brought forward on Wednesday would be known. The Bill before the House would be most oppressive in its operation. The honorable member for the Western Downs had informed the House, that as soon as the Bill passed into law it would entail upon him an immediate expense of nine hundred pounds, but the honorable member did not say how that would be the case. He repeated, that whatever might be the object of the Bill, it would be most oppressive upon the trading community. The honorable the Colonial Treasurer told the House that he had taken care nobody should escape the measure, but, that every one would have a squeeze from it. The honorable gentleman also said, that it would not press hard upon the mercantile community; but he could inform him that it would press very hard upon them.

The COLONIAL TREASURER: Good credit and fame was so great a luxury in the colony, that those who could afford to indulge in it should pay for it. (Laughter.)

Mr. R. CRIBB: No doubt that was a very pleasant way to put the matter; but those who had good credit now-a-days must have purchased it by integrity and ready payments in the past; and it was only when a tradesman became so unfortunate as not to be able to make ready payments in cash that he would have to pay for the luxury of credit. The Bill before the House was, he considered, a very obnoxious measure altogether, and as the Government had got all the other money Bills they wanted passed through their several stages in the Assembly, he trusted they would allow this one to stand over till Thursday next.

Mr. SANDEMAN said the measures of taxation proposed were only temporary, and were intended to meet the financial difficulty in which the colony was placed. He, equally with other honorable members, deplored the necessity that existed for additional taxation; and heavy as was the taxation proposed, he believed it would not be sufficient to meet the requirements of the country. He believed it would be necessary to have further measures of taxation. The scheme of the honorable the Treasurer, as originally proposed, embraced an *ad valorem* duty of ten per cent., but after a long debate in the House as to the amount, it was considered advisable to compromise the question, and the duty was at last fixed at seven and a half per cent.; and the very large reduction that that would occasion on the amount of revenue calculated to be derived from an *ad valorem* duty of ten per cent. would now have to be made up by some other means. He believed, therefore, that it would be

necessary to pass, not only this measure, but also to have recourse to an alteration of the postage rates. He also believed that there should be a tax placed upon sugar. A tax upon flour had been objected to; but he for one should not object to such a tax. He believed that flour would as well bear a tax as any other commodity that was now included in the tariff. Some honorable members had said that in dealing with the question of taxation it was scarcely necessary to go back to the causes that had produced the present state of affairs; yet he could not help making a passing allusion to them. He had no doubt that the enormous railway expenditure that had been entered upon had a very great deal to do with the present financial difficulties of the colony. He was one of those who originally considered the railway should not be carried farther than Toowoomba; and he objected strongly to the Warwick line. At the same time, he would admit that he advocated the construction of the northern line; but the measure of justice that was meted out to the northern districts, in giving them that northern line, was quite justified by the great expenditure in the southern districts. Some honorable members had proposed a tax that was altogether antagonistic to the opinions of the highest authorities on political economy. To place a tax upon the productions of a country was quite opposed to the established principles of political economy. The honorable member for North Brisbane, Mr. Brookes, had proposed that there should be an export tax upon wool; but such a proposition was quite inconsistent with the honorable member's own argument the previous day. The honorable member had argued for the exemption of agricultural machinery from the duty on imported articles; and the reason he gave was that he desired to aid and encourage those productions of the country for which machinery was required. But now the honorable member, almost immediately after, he might say, turned round and proposed there should be an export duty placed upon one of the largest productions of the colony. The honorable member frequently quoted authorities for his views, but he thought he would be unable to find any authority worth naming, to support him in such a proposition as this. The question of population had also been introduced into the debate; and he quite agreed with the honorable member for Port Curtis, in saying that, if the means that had been adopted to retain the population in the towns here had not been resorted to, a great deal of the starvation that so much had been heard about lately would never have existed; and if the propositions that had been made, of establishing immigrant depôts in the interior, had been carried out, the colony would not now have been suffering from the state of things that was everywhere felt throughout the country;

and till some such system was carried out, whatever might be the state of the population, they would continue to suffer from the same grievances. The grievances of the honorable member for East Moreton he would presently refer to. He had heard, with much feeling of pain, the remarks that had been made; but he would remind the honorable member, that in the debate of the previous day he made use of language by which he brought a great deal of his cause of complaint upon himself. The honorable member certainly used a word in the course of debate that was totally unparliamentary, and one that no honorable member of the House should make use of towards another; and, therefore, he was indebted to his own act for a great deal of what had taken place. He hoped, however, that they would have no further expressions of intimidation. He believed it was necessary they should pass the measure now before the House, and that the exigencies of the country required that no delay should take place that could possibly be avoided. He should, therefore, support the second reading of the Bill.

Mr. BROOKES said he only rose for the purpose of pointing out to the honorable member who had just sat down, that when he, the other night, proposed that machinery for agricultural and pastoral purposes should be exempted from the *ad valorem* duty, he did so because he thought it desirable that every assistance should be given to the production of a good sample of wool, in order that the producers of that article in the colony might be able to command the highest prices in the market; and also that the colony might continue to hold the highest position in the markets of the world with reference to wool. That proposition met with the approval of the House, and was agreed to; but he did not think that that step would be used as an argument for exempting an article so improved—improved by means of machinery imported duty free—from a fair share of the burden of taxation required to be placed upon the colony. So far from thinking that his argument for the exemption of machinery should be used as an argument for the exemption of wool from an export duty, he thought the very reverse was the more logical deduction. He therefore maintained that wool was a commodity that, for a great many reasons it was not now the time to discuss, should bear its fair share of the burden. He had already pointed out that the honorable the Colonial Treasurer had no need to be in such a desperate hurry with this Bill as he seemed to be, for the step that was taken yesterday was the greatest step they could take towards granting relief. In providing, as they did yesterday, for increasing the circulating medium in the colony, they had provided for the great want of the colony. All things would now take their proper places very speedily. He did not think that the placing of a tax of four per cent. upon bank

notes would have the effect of causing the banks to shut up and leave the colony. He rather thought they would remain, and that they would cheerfully accept of the accommodation that the measures passed by the House yesterday would afford to them. The introduction of gold into the colony by the Treasury Bills Bill, and the issue of notes for the interior business of the colony, would be a great relief to the banks, for they would not have to provide more gold than was required for the legitimate trade of the colony. The honorable the Colonial Treasurer would not lose anything by postponing the Bill before the House. He was satisfied that the best plan the House could adopt was not to reject the measure—he did not propose to reject it—but with the motion of the honorable member for Toowoomba on the paper, he should vote that the Bill be read that day six months, rather than be driven into a corner. The credit and character of the colony was at stake in this matter. Having passed the more important measures, if they were also to hurry this one they would make it appear that the colony was in such a sinking state that they would rush at anything. Such a proposition as a stamp duty should not have been tried till everything else had been tried and had failed. If a discriminating tax had been placed upon wool and tallow and hides, and had failed, then such a bill as this would have come with a far better grace than it could possibly come with at present.

The question that the debate be adjourned was then put and negatived, on a division, by a majority of twelve to eight; and the motion that the Bill be read a second time was agreed to.

The Bill was accordingly read a second time.