

Queensland



Parliamentary Debates
[Hansard]

Legislative Assembly

WEDNESDAY, 24 MARCH 1869

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LEGISLATIVE ASSEMBLY,

Wednesday, 24 March, 1869.

The Additional Members Bill and Two-thirds Clause.—
Informal Petitions.—Ways and Means—the Financial
Statement.—Supply.

THE ADDITIONAL MEMBERS BILL AND
THE TWO-THIRDS CLAUSE.

The SPEAKER said he took the earliest opportunity to inform the House that he had, in his own opinion, committed a very gross error in allowing the second reading of the Additional Members Bill to pass, last night, when only seventeen members were present, and when the Constitution Act required that two-thirds of the members for the time being should concur on the question. He thought this, at the time, and he should have ruled so, had he not been advised otherwise; and, from what he had heard, in another place, he was convinced that he was right in his own original opinion—and he had consulted an eminent authority—that there must be two-thirds of the members present to carry the second reading of a Bill of the nature under notice. It was true, there was no division called for; but, nevertheless, he maintained, from the circumstance of its being necessary that an address should be sent to the Governor setting forth that the second and third readings of the Bill had been “passed with the concurrence of two-thirds of the members for the time being,” that this showed that the Speaker should take notice of the number of members present in the House at the time of the progress of the measure through those stages. He had been persuaded, against his own will and better judgment, that such a course would not be necessary. He thought it highly advisable, at the earliest period, and before the Bill went further, to take some steps to prevent greater complications arising. He was perfectly certain of one thing—that, when the address was brought forward for him to sign, it would be impossible that he could do so, knowing that the second reading had been passed when only seventeen members of the House were present.

The ATTORNEY-GENERAL: As there seemed little doubt that, although the second reading was passed in the way the Speaker stated, there were two-thirds of the members in and around the House, who, if they had intended to vote against it, could have come in and done so; perhaps it would be most convenient to rescind the resolution at which the House had arrived with respect to the Bill. If the House had no objection, he would move that the resolution affirming the second reading of the Bill be rescinded, so that the voices might be taken again on the motion for second reading, when the requisite two-thirds of the members were present.

There being no objection, the motions suggested by the honorable the Attorney-General were severally put and agreed to. In a House of twenty-three members, the Additional Members Bill was read a second time.

INFORMAL PETITIONS.

A petition from Henry Buckley, Esquire, late a member of the Legislative Assembly, for Brisbane, and Auditor-General, was presented by Mr. JORDAN, and read, at length, by the Clerk. Whereupon,

Mr. JORDAN moved—

That the petition be received.

Sir R. R. MACKENZIE said he should oppose the receiving of the petition on the grounds that he had taken up on the previous day—that several statements in the petition were false.

The SPEAKER: The honorable member could not speak on the matter—it could not be debated.

The ATTORNEY-GENERAL submitted that the Speaker's ruling was called for. There were statements in the petition reflecting upon an honorable member of the House.

The SPEAKER: It was highly necessary, in all cases, before a petition was presented, that the honorable member who had charge of it should read it in connection with the Standing Orders. If that had been done when the petition from the same petitioner was presented by the late honorable member, Mr. Pugh, a great deal of trouble might have been saved. As it was not done, a most informal petition had been received.

The SECRETARY FOR PUBLIC LANDS: The petition had been read by the House, and they left it to Mr. Speaker to decide whether it was formal or not.

Mr. JORDAN rose to speak, when

Sir R. R. MACKENZIE observed that he had not been allowed to address the House.

The SPEAKER: Was he to understand that the honorable member for Burnett was to speak to a question of privilege?

Sir R. R. MACKENZIE: Yes.

The SPEAKER: Then the honorable member was quite right in speaking.

Sir R. R. MACKENZIE: As a question of privilege, a petition containing statements reflecting upon a member of the House could not be received, and he should oppose it in every possible way. He was only sorry that two honorable gentlemen who were concerned in the matter were not in the House—the honorable member for Burnett, Mr. Pring, and the honorable member for Leichhardt, Mr. Sandeman—as they would throw light upon everything he had before stated; and they would also show that the petitioner had not acted as he ought to have acted. He could himself state that the report of the Board of Inquiry into the Auditor-General's Department did not exonerate Mr. Buckley entirely, as the petition set out. If he had the papers, he could prove that, in his late office, Mr. Buckley had not discharged his duties properly.

The ATTORNEY-GENERAL observed that he had raised this question, because he thought it was well that he should call the Speaker's attention, and that of honorable members, to

a paragraph in the petition which he thought was an invasion of the privileges of the House, and to the fact that all petitions presented to the House should come within their rules. If Mr. Buckley had a case requiring redress, he (the Attorney-General) should be very sorry to exclude it from the House; but there was a way of bringing it before their notice respectfully. To say that any honorable member had made a statement that was at variance with truth was not respectful. The second paragraph was as follows:—

“Your petitioner begs also respectfully to state, that various statements were made public by the Government of the day, the honorable R. R. Mackenzie being then Premier, to the effect that your petitioner had tendered his resignation of the office of Auditor-General absolutely, statements entirely at variance with the facts, which can be varified on the most unquestionable testimony.”

In his opinion, the petitioner could, in another way than that, bring before the House the facts by which he was prepared to substantiate his claim. The petition was not a proof. It was now for Mr. Speaker to rule on the matter.

Mr. JORDAN observed that when the petition was given into his hands by the petitioner, he thought Mr. Buckley distinctly informed him that it had been submitted by him to the honorable the Speaker—he might be mistaken, but that was his impression—and that, in the Speaker's opinion, it was in accordance with the Standing Orders of the House. He was particular, as a petition from Mr. Buckley which had been before received by the House, was withdrawn, yesterday, on his own motion, because, in the honorable the Speaker's opinion, it was not in accordance with the Standing Orders, and, in order that he might present the altered one now before the House.

Mr. BELL said he was not a little surprised at the objections which had been taken to the words in the petition by members of the Government. It was not long since that the House were informed that the present Government was one that would “call a spade a spade.” Now, words were objected to in a petition which characterised a statement made by a former Premier. It was not charged in the petition that the statement had been made by the honorable gentleman, knowing that it was a mistake, but Mr. Buckley said merely that it was a mistake. He (Mr. Bell) saw nothing in the petition to which any objection could be taken, except in a captious spirit; and he was prepared, as one member of the House, to accept the petition.

The SPEAKER stated that Mr. Buckley did shew him a petition, which he read in a cursory way; and he did not see anything in it that he could lay hold of. But, it was for the House to say that it was disrespectful—now, that it had been brought forward, prominently, it was for them to take notice of it.

Mr. JORDAN requested permission to withdraw the petition.

Sir R. R. MACKENZIE said if it was proposed to present another amended petition on the same matter, he should object; because he might not be in the House to defend himself.

Mr. FORBES, as the seconder of the motion for the reception of the petition, suggested that it would be better for the House to record their opinion by voting on the question. Then, their decision would be a warning to petitioners, and to honorable members, to be more careful what language they addressed to the House.

The petition was, by leave, withdrawn.

A petition, signed by John Hardgrave, mayor of Brisbane, in behalf of a public meeting held on the 8th instant, in the Town Hall, was presented by Mr. EDMONDSTONE, and read by the Clerk.

Mr. PALMER said, as a point of order and privilege, he must object to the reception of the petition on the same grounds as he had objected to a petition on the previous day. The present petitioners were in a different position from the others; no one could doubt their right to petition the House. But, they had copied the petition of the Sydney gentlemen in its most objectionable part—the very same word, which he regarded as the worst, was used. The petition said that the Polynesian Laborers Act was “ostensibly” passed for the protection of those laborers. Again, it was said that the Act was passed to “foster kidnapping.” That was language which he thought highly improper in any petition. It also said that the Legislature were encouraging the “slave trade.” Before such assertions were made, he thought it would be highly desirable if the persons who made them considered whether they could be proved. He was sure that if there were such a thing, he would be one of the first to trample it out in the most decided manner. But he objected to such things being stated to the House; and the language he had quoted, especially the word “ostensible,” imputed motives to the House. There was another point of order to which he wished to call attention. He was not quite clear as to the rule, here; but he was led to believe that a petition, signed by the chairman of a meeting was not received in the House of Commons as the petition of the meeting, but as the petition of one individual. He wished to call the Speaker’s attention to the point, and to have his ruling upon it.

The SPEAKER: There could be no doubt, the petition was the petition of one person.

Mr. PALMER asked to have the Speaker’s ruling on the language of the petition.

The SPEAKER: In his opinion, the petition was not respectful to the House, in the way it was worded.

Mr. LAMB: There was one mistake, also, in the petition. It stated that the islanders were brought here without any religious instruction. He had seen eighteen of those

men, at sunrise and sunset, every day, over a considerable period, assemble to hear a missionary give them a sermon, which lasted over twenty minutes. The missionary understood their language, in which he preached to them. He (Mr. Lamb) could also say that the islanders had communication with their friends. He had seen fifty letters together, sent hence by the islanders to their homes. That was a second mistake in the petition.

The ATTORNEY-GENERAL: There was no doubt that the use of the word “ostensible” in the petition, did imply fraud on the part of the House in enacting the Polynesian Laborers Act. He thought, however, that the petitioners hardly intended to pass an insult on the House; and, that, if made aware that the petition was not within the rules of the House, another would be presented in becoming terms.

Mr. BELL said he hoped that the honorable member for Port Curtis would not press his objection. He was afraid it would be very difficult for petitioners to get access to the House, if the present spirit with regard to the language of petitions continued to be maintained by honorable members. It was impossible to lay down, as a rule, that every petition must contain statements which, of necessity must be facts. If a petitioner made statements in a respectful manner, whether true or not, he had a right to make those statements: he might believe them to be true. The word “ostensible” was, as far as he (Mr. Bell) could make out, the only objectionable word in the petition; but that was not sufficient for the House to throw out the petition. He found a difference between the present petition and the one from another colony; and he believed the honorable member for Port Curtis was right in saying that the former was the petition of one person only; but that was not a reason why it should be thrown out. The House ought to be cautious not to be too particular in the wording of petitions.

Mr. ARCHER granted that, in the minds of the writers, the statements in the petition might be true; but honorable members must tell petitioners not to impute motives to the House. A petitioner had no right to impute to the House motives different from what was apparent on the face of things. It was a pity that those who characterised the work of the House did not know how it was done and what it was. The Act complained of never introduced the Polynesians to the colony;—those laborers had been introduced years before; and the Act was not to make their position in the colony worse, but to improve it.

Mr. JORDAN held that the honorable member for Rockhampton had made a mistake in supposing that those persons who had got up the petition did not know what they were doing in reference to the Polynesian Laborers Act. He happened to know that the speakers at the meeting quite understood the legisla-

tion that had taken place, and knew as much about it as any honorable member in the House. He had not had anything to do with the wording of the petition, but he felt confident, having attended the meeting, that nothing disrespectful was intended by the petition; and, on the part of the persons who prepared it, he repudiated any intentional disrespect to the House in the wording of it. Those persons did not suppose that the Act originated the introduction of Polynesian laborers to this colony; but it legalised their introduction, under the protection of the Government, and yet did not sufficiently protect them.

Mr. MILES said he had a very strong objection to hamper or throw any impediment in the way of persons petitioning the House; but it would be well to let them know that they must address the House in a respectful manner. Seeing that the honorable member who spoke last was one of the persons who addressed the meeting at which the petition originated, it would be well for him to counsel the withdrawal of the petition, so that he and his coadjutors might remove the objectionable expressions which were made use of, and thus relieve the House of further trouble about it.

Mr. EDMONDSTONE said that before he presented the petition he read it carefully with the honorable member, Mr. Jordan; and they certainly did not see anything objectionable in it. Respecting what was said by the honorable member for Port Curtis, he had to state that the persons who had drawn up the petition knew nothing about the Sydney petition. The Act was passed for the management of the Polynesian laborers, and the petition complained that it did not effect the object in view. He concluded what he had to say on the subject by asking leave to withdraw the petition.

The point of order having been abandoned, the petition was, by leave, withdrawn.

WAYS AND MEANS—THE FINANCIAL STATEMENT.

On the motion of the COLONIAL TREASURER, the Speaker left the Chair, and the House resolved itself into a Committee of Ways and Means.

Mr. FRANCIS expressed a hope that the practice which had obtained during the last two or three years, in the case of the Treasurer making his financial statement, would not be departed from. That course was, that immediately after the financial statement was made, the debate was adjourned, to give honorable members an opportunity of fully considering the Treasurer's figures. It would be highly inconvenient to continue the debate this evening. The practice that had hitherto prevailed should be adopted now; seeing, further, that many honorable members were not in attendance.

Sir R. R. MACKENZIE said he thought that the practice had obtained within the

last two years; but previously, the debate had always proceeded after the delivery of the financial statement. It might be that two or three members were ready to go on—he should be willing to go on—but if it were the wish of the committee, he would not offer any objection to an adjournment. Honorable members all knew that it was of the utmost importance that the Estimates should be gone into as soon as possible. There was the pay of the Civil Service to be provided for. When the honorable the Treasurer had delivered his statement, the question might be put whether the debate should be continued or adjourned.

The COLONIAL TREASURER observed, that it appeared to him that the most convenient plan would be, for those honorable members who were ready, to go on, at once; and those who wished for delay, might move for an adjournment afterwards. He should offer no objection to that course.

After a short delay,

The COLONIAL TREASURER rose and said: Mr. Thompson—The resolution which I have to move is:—

That towards making good the Supply granted to Her Majesty for the service of the year 1869, a further sum not exceeding £100 be granted out of the Consolidated Revenue Fund of Queensland.

I will take this opportunity, Sir, to make the financial statement; and in doing so, I will first say that it will be made, this year, under exceptional circumstances—circumstances that have not previously occurred in this colony—namely, that of the year nearly three months have gone over, and the Estimates are still to be voted. There is, therefore, a special reason, which has never existed before, why these Estimates should be gone on with as early as possible. Partly on that ground, and partly for other reasons, I have thought it advisable to depart from the usual course of including in the financial statement every conceivable subject connected with the finances, and to endeavor to confine myself to the current account of revenue and expenditure, and to put the committee in possession of all the facts of the financial position of the colony for the year, with regard to revenue and expenditure. I propose, on the earliest convenient day, to bring forward the subject of loans. It must be borne in mind that in a very short time another financial statement will have to be made. The present one will apply only to the balance of expenditure for 1868, and to the revenue and expenditure for 1869. It appears to me that it will conduce to the better understanding of the affairs of the colony, under the present exceptional circumstances, if I follow this course; and I would suggest to honorable members that the discussion be confined in the same manner to the current revenue and expenditure account, which I shall disclose. I think, as we proceed, honorable members will see sufficient reasons why the subject of current account will be of

adequate importance to occupy the entire attention of the committee. I have followed the plan that was adopted last year, of sending round to honorable members a few pages of figures, which I shall use, the better to enable them to accompany me in my statement. They appear somewhat voluminous, but I shall use only a few of them. I have, at present, no intention of going into many details;—and I will direct attention to the principal of them, but the bulk of them will be convenient for reference. At the close of the year 1863, there was a deficiency of £70,000, not covered by the revenue, and that amount was transferred to the Immigration Loan account, in order, as was stated by the Treasurer of that time, to enable us to start with a “clean sheet,” and to enable him to enter upon the next year more comfortably. At the end of 1864, that was about the amount of the debtor balance, with which the next year was commenced, and which was included in the liabilities of 1865. The result of the transactions of 1865, was a deficiency of £47,514; the result of the transactions of 1866, was a deficit of £118,245; and the transactions of 1867 left a further deficit of £55,715. We thus commenced the year 1868 with a deficiency of £221,474 14s. 6d. It is not necessary for me now further to refer to those previous years; and I will endeavor to keep as near as possible to the transactions of the year 1868. The statement of revenue and expenditure for the year 1868 shews that on that year there was a deficiency, although smaller than in previous years—

Sir R. R. MACKENZIE and Mr. PALMER:
Very much smaller.

The COLONIAL TREASURER: It will be seen that the revenue of 1868 amounted to £724,854; and that the expenditure, from January to December, 1868, amounted to £740,127. There was, therefore, a deficiency on the 31st December of £15,272; which, added to the amount brought forward on the 1st January, from 1867, left a deficit of £236,747. On the next day, 1st January, 1869, an amount of interest had to be paid, which was previously provided for—as it had to be paid in London and in the other Australian colonies—amounting to £112,562. This amount ought to go to the past year's accounts; although, in previous years, the contrary has been the practice. It shows how necessary it is that the payment of interest should be provided for. The deficiency, therefore, on the 1st of January, this year, amounted to £349,309; this was the deficiency on current revenue, against expenditure on account of votes by this House from 1865 to 1868 inclusive: in other words, the expenditure has been £350,000, in round numbers, more than the revenue during that period. This will be, perhaps, a convenient place to explain to the House that the figures which I have read from memoranda with regard to 1868, have been taken from the Treasury books, made up to the 31st Decem-

ber last; and that all the previous figures are from the published statements of the Auditor-General. These include not the exact payments made from January to December, but the whole payments made for the service of each year, as against the votes of this House. Now, for the service of 1868, there will be various amounts to be paid, estimated to come to £55,000, which will have to be paid during the current year. In order to make the statement for 1868 correspond with the statements of previous years' accounts, that amount, or a portion of it, is to be added to the expenditure of last year. I need not detain honorable members by going into any lengthened statement upon that matter; they will easily understand the difference between moneys actually paid away between January and December, and moneys actually paid away at a later period for services performed during the past year. It is quite clear that wages due in distant parts of the colony for November and December were not included in the deficiency of £349,309; and it is necessary, therefore, to add to that a sum of £30,000 as part of our liabilities.

Sir R. R. MACKENZIE: No, no. There was a similar balance for 1867, to be availed of in 1868.

The COLONIAL TREASURER: The payments made in 1868, on account of 1867, appear on this statement, and amount to £23,594. That sum, therefore, is to be deducted from the payments made in 1868; because for the service of the previous year there must be added to our liability the sum which has to be paid in 1869, on account of 1868. I estimate that amount, as I said before, at £55,000. Considerably upwards of £40,000 has already been paid. I estimate the difference between the £23,594 and the £55,000—or, as I said, £30,000—as to be added to the deficiency of £349,309 already shown on the 1st January last, so as to enable us to arrive at our indebtedness. I have endeavored to explain the difference between the two statements—the Auditor-General's and the Treasurer's—and to show the reason why the figures given by the Treasury are not exactly the same as those in the Auditor-General's reports. The figures from the Treasury books are the only figures that I could avail myself of, until the Auditor-General's books shall be closed, and his report on the finances of the year presented to this House, which will be shortly. I hope honorable members will give me credit for not wishing to make the deficiency of last year appear more than it really is; for, on the contrary, I would congratulate the honorable gentleman, late Treasurer, on the deficiency being much less than it was in previous years. I don't know that it is necessary for me to dwell longer on these figures. Honorable members will see by the statement—from which they can follow out my calculations—that I estimate the deficiency on the transactions of the

year 1868, and I am satisfied that it will prove a correct estimate, at £46,000. As I proceed, I shall endeavor to give full credit to the late Government where credit is due, for I believe it is of great importance we should go carefully in the matter, without being actuated by party spirit. It was necessary for me to give the figures I have referred to, otherwise the committee would be misled as to the actual position of the colony. I will next refer honorable members to the third table of the statement of figures I have submitted to them. That shows the estimated revenue and expenditure for the present year. Honorable members will see by the Estimates laid on the table of the House, that the probable expenditure for 1869, as set down in the Estimates-in-Chief, is £732,826, while the probable revenue for the year is put down at £786,300, leaving a balance on the right side of about £53,474, or, in round numbers, of £54,000. I think it would be very unsafe for me to tell the committee that we are not likely to have any Supplementary Estimates brought down for the present year, for I know no year in which Supplementary Estimates have not been introduced. Instead, therefore, of making vain promises on the subject, I feel it necessary to tell the committee fairly and fully, that there is no possibility of avoiding Supplementary Estimates for 1869, and that most certainly some will be brought down. There are several items—some accruing by Acts of Parliament and some in other ways—which must necessarily be paid for, and Supplementary Estimates must be brought down to the House. But though Supplementary Estimates are unavoidable, there are several reasons why they need not be so large as usual. In the first place, three months of the year, or nearly so, have elapsed before the Estimates-in-Chief were brought down, and care was taken to put on the Estimates all expenses likely to arise, with one exception, to which I will refer later. The Government have provided, as far as possible, for all payments which will actually have to be made, and though after all, there must be Supplementary Estimates, still I am satisfied that, in estimating them at £50,000, I am setting them down for a larger amount than it will be necessary for them to reach. But, in order to provide for unforeseen occurrences, of which at present we can know nothing, the Government have deemed it better to put down a sufficient sum to cover them. It must, however, be borne in mind that in every year a proportion of the sums voted on the Estimates remain unexpended, and are allowed to lapse in the course of the following year. Those balances do not consist of any large sums, but chiefly of small balances which are not required for the service of the year for which they are voted, and they are all allowed to lapse early in the succeeding year. I estimate that in all probability we shall derive from that source about £30,000. If the Supplementary Estimates

brought down amount to £50,000, and there remain unexpended balances to the extent of £30,000, that would leave a balance of £20,000 in excess of the Estimates-in-Chief. But the estimated excess of revenue over expenditure, as per Estimates-in-Chief, was £53,474, so that there would be a probable surplus on the service for the year, of £33,474. I will leave further comment on the statement I have made with reference to 1869, until I have briefly referred to the Estimates for that year. The actual revenue received during 1868 was £724,854, while I estimate the revenue for 1869 to reach the sum of £786,300. The increase of £60,000, will, I consider, arise from land and railway revenue. The Estimates-in-Chief have been framed very carefully, so as, if possible, to avoid the error of over-estimating them. The honorable member for the Burnett, Sir R. R. Mackenzie, left estimates in his office in November last; and I am sure all honorable members will give that honorable gentleman the credit of being remarkably cautious in his estimates, and in general, I believe his estimates of receipts have been exceeded. On the present occasion, however, I felt that I was not justified in taking the estimates of the honorable member, and I have reduced them by the sum of £48,000. I think the honorable gentleman over-estimated the revenue to be derived from the Customs, and also the gold revenue. I merely refer to those matters to show that I have the authority of the honorable member for the Burnett in my estimates of the revenue for the year 1869. I believe the revenue will be almost certain to cover the amounts at which I have estimated the receipts from different sources. A Treasurer cannot well commit a greater mistake than to over-estimate his revenue, as, if he does, it will be pretty certain to follow that his expenditure goes up in proportion. The revenue derived from Customs for 1868, was £333,636; and during the same period, from excise, duty on colonial spirits, £3,592; making together a total revenue of £337,228. I estimate the revenue to be derived during the present year, from these two sources, at £340,000. I am quite aware it might be said that we had a very large increase of revenue in 1868, in consequence of the sudden development of the Upper Mary gold field, and that it was not likely there would be a continuance of the same rate of revenue during the present year. I, however, differ from that opinion *in toto*, and I think the figures I can lay before honorable members will show that I am justified in anticipating a revenue, at all events, slightly in excess of that of 1868. It is a remarkable fact, that with all the changes the colony has undergone during the last two or three years, the customs revenue has shewn a steady increase for the last three years. I find that the amount of the customs collections for the last quarter in the year 1866, was £61,678—that was the first quarter

under the present rate of duties—or at the rate of £123,000 for the half-year. For the first half of the year 1867, the revenue was £135,340; for the second half, £148,026; for the first half of 1868, £160,214; and for the second half, £177,013. It will thus be seen that the figures for four consecutive half-years would run in thousands as £135,000, £148,000, £160,000, and £177,000. The committee must bear in mind that the great rush to the Upper Mary gold fields was during the first half of 1868, and I admit that I was under the impression that the customs revenue for the last half-year would in all probability show a falling off; but on the contrary I found that during that period there had been an increase of £17,000 over the revenue of the first half. So that notwithstanding all the changes of the colony the customs had increased at a steady rate of progress, and I am not aware that there is anything in the present circumstances of the colony that would justify me in anticipating that the revenue from that source will be less during 1869. It will be acknowledged that the latter half of 1868 was considered an excessively bad season, and that in consequence the revenue derived from some of the northern ports was a great deal less than it would otherwise have been if the season had been such as would have enabled traffic to be carried on with the interior. Now that a change has occurred, and drays will be again enabled to travel, it is perfectly reasonable to expect that during the present year we may derive some advantage over the latter end of 1868. I think I am perfectly justified in saying that we are certain to receive the full sum of £340,000, at which I estimate the customs and excise revenue. The only item from which we can possibly expect a reduction is the increase in the revenue from the duty on colonial spirits. As far as the revenue is concerned such an increase would involve a loss, because the duty paid on colonial spirits is at the rate of two-thirds, so that if the Government received £10,000 from the excise as the gross duty on rum manufactured in the colony, the customs revenue would lose £15,000, presuming that quantity of rum was imported for consumption, because the excise duty is only at the rate of two-thirds. I will next touch upon the revenue to be derived from the sale of land, which I estimate for the present year at £97,000, as against £55,909 for 1868. I am quite aware that on the face of it such an increase appears excessive and not likely to be received, but a little consideration will show that such a conclusion is scarcely justified. The first item is £30,000, from sales by auction and selection purchases, when purchasers paid down the full amount, as they would have to do, if they bought at auction. In 1868, the receipts from those sources amounted to £19,979; but land orders to the value of £40,075 were also received; so that the total was upwards of £60,000 for

auction sales and selection purchases. Of course, it is impossible to settle beforehand what proportion of land would be sold for cash, and what for land orders. The number of land orders now in circulation is not nearly as large as in 1868. The total value of transferable land orders at present in circulation which could be placed in the Treasury, is £11,347. The value of those issued as a premium for cotton cultivation is £6,868; so that there is a total of about £18,000 transferable land orders in circulation at the present time. I am aware they will be largely supplemented, probably to the extent of £25,000 or £30,000, during the next eight months; but they will be spread over a considerable period. As, however, the number of land orders in circulation was much less than during last year, honorable members would not be justified in anticipating that the same amount will be received during the present year at the Treasury. The value of the non-transferable land orders in existence is about £72,430; but of these nearly £47,000 worth are in the hands of the Government, having been deposited in consideration of the advance of £6. It is estimated that about two-thirds of these orders, or about £30,000 worth, will never be redeemed by the depositors. That would leave about £42,000, as the value of non-transferable land orders in circulation. These figures will show honorable members that I am right in not expecting to receive at the Treasury so large an amount in land orders during the present year as was received during the past year. The actual amount of revenue to be derived from sales by auction and selection purchases will depend, of course, upon the quantities and the descriptions of lands brought forward for sale by auction by the Government. I believe, however, that the Government will bring forward land for sale in a manner satisfactory to the public, and in such quantities that we shall receive considerably more than was received last year. I put down the amount at £30,000. The rents received under the Leasing Act of 1866 amounted to £9,996 last year, but I estimate them at £22,000 for 1869. A number of these selections were made quite at the close of the year 1867, and the second year's rent was not due in the year 1868. The total value of the rents on January 1 of the present year amounted to £24,000 or £25,000, and of that sum about £21,000 has already been paid into the Treasury. The balance I anticipate is pretty safe to come in. There may be one or two defaulters, but those who did not pay on January 1 are liable to a fine equal to one-fourth of the rent, and, as they were allowed to March 31 to pay it, they are pretty certain not to pay until then. The total receipts for rent under the new Act of 1868 were £13,013 in cash, £10,503 in land orders, making a total revenue for the last year of £23,516. Out of that £23,000 it is estimated that £12,609 would be the proportion due

from the second payment, on March 31; and it must be borne in mind that, although land orders were received—and indeed almost half the payments made by them in 1868, under the Act of 1868—yet the second payment must be made in cash entirely. We are therefore justified in considering that the sum of £12,609—the proportion of the second year's rent—will be received in cash. From the rate at which selection is going on, I believe I am justified in estimating the amount of rent to be received under the Act of 1869, at £30,000. The Government did not anticipate that the selections would be so large as they were during the past year. Deducting the £12,000—due for the second payment—from the total £30,000, that would leave about £18,000 as the estimated revenue from selections made during the current year; whereas last year they were made to the extent of £23,000; so that I believe I shall be certainly safe in my estimate. I will say nothing with reference to sugar and coffee leases, except that it is very satisfactory to see these new industries progressing favorably. The revenue received from that source last year was £2,202, and I expect to obtain £3,000. The revenue derived from survey fees in 1868 was £10,719, and in 1869, I estimate it to be £12,000. On the whole of these items there is a considerable increase; for whereas £55,909 was the amount received in 1868, I expect to receive during the present year £97,000. When honorable members consider the terms on which conditional purchases were made under the Act of 1868, they will see that whatever revenue was derived from them the first year, the same amount would also have to be paid during the next year, in addition to any fresh selections which might be made during that year. When they come to consider how the revenue accumulates in that way, they will concede that I have not over-estimated the revenue I expect to receive under the Acts of 1866 and 1868. For my own part, I believe we shall receive a large amount of revenue from those sources. With regard to the rents received for land for pastoral purposes, the actual receipts during 1868 were £137,077. I anticipate to receive £133,000 during the present year. I wish to draw the attention of honorable members to the fact that, in consequence of the operation of the Act of 1868 on the resumed half of runs, a large amount of rent, amounting to £2,416, was paid a second time during the same year. A half-year's rent was collected in addition to what would be considered the legitimate and annual revenue for the year. A considerable amount of money, amounting to several thousand pounds, was also collected out of the arrears of rents in previous years. Runs that were liable for re-assessment continued to pay the old rent until the re-assessment was completed, and on it being so completed, the lessees were called on to pay the arrears which had

accrued from the date on which they were altered. Several honorable members were, no doubt, aware of what I refer to, and therefore I shall be justified in stating that, to some extent, the revenue from that source was exceptionally large in 1868. Although I estimate the revenue for 1869 at less than that of 1868, yet I do not anticipate that it will be any smaller than that which has actually accrued due in that year. I am quite aware it is the fashion to talk about the number of runs it was exceedingly likely would be thrown up, and which would not, therefore, pay rent during the current year. I cannot agree to all that, for I do not believe the number of runs likely to be thrown up will affect the rent to be received to any appreciable extent. The appearances which gave rise to the supposition that so many runs would be thrown up were quite as strong six or eight months ago as at present, and yet I believe it is a fact that there never was a single year when rents were paid up so well as they were in September last. They were paid then better than on any previous occasion. Before September last prophecies had been freely indulged in to the effect that pastoral lessees could not possibly pay their rents. Events had entirely failed to justify that supposition, and I believe the rents will be paid next September, and that the predictions will thus be again proved false. It is, however, quite possible that some gentlemen, who occupied a very large number of blocks of country, or rather who paid a large amount of rent for a very large number of blocks, of which they only occupied a portion, might give up some of them. There may be some falling off in that way, but I believe that, on the whole, we shall receive the full amount of my estimated revenue. The two main reasons assigned for the expected fall in the amount derived from the rents of runs were the bad seasons, and the fall in the price of wool. I am, however, quite satisfied that the pastoral tenants will find out a way of again doing what they had already done on several occasions when they had been called upon to meet a temporary fall in the price of the article they produced. The first and strongest result would be a very great improvement in the average quality of the article produced, and by that and other means they would be able to tide over the difficulty. Already the difficulties arising from the late bad season have been almost entirely changed. I am aware that the two causes alluded to will, combined, cause a very large amount of misery; but I do not think it will be such as to cause the properties to be sacrificed to any great extent, although I believe in many cases the interests of present holders may be sacrificed. I do not, however, think the country will be abandoned, for those interested in it will keep it up; and therefore, I am perfectly justified in thinking we shall get in the revenue as in last year. The receipts from survey and transfer fees

amounted in 1868 to £2,171, but I expect to obtain, during the present year, about £3000. Next, with regard to the gold fields revenue. That I estimate at £20,000 for 1869, though the amount received last year was £25,589. I may mention that some six months ago, my honorable friend, the member for the Burnett, Sir R. R. Mackenzie, estimated the probable revenue from that source, for 1869, at £32,000. I, however, only put it down at £20,000, and if the honorable member for the Burnett had had occasion to have brought down his estimates on the present occasion, I have not the slightest doubt he would have thought it necessary to make a reduction in his original estimate. I am aware that the present prospects of the gold fields are entirely different from what they were some twelve months since, when all were in such good spirits respecting them. I have provided for that by reducing the figures I found in the office when I entered it, and I consider I have made ample provision for any deficiency likely to occur. The export duty is put down at something like the amount received last year. When I consider the very large amount invested in machinery on nearly all the diggings, but especially at Gympie, I think we may safely count on getting in the £12,000 revenue I expect to derive from that source. There is far more steady industry exhibited at Gympie now than when the diggings were merely alluvial. Wherever quartz reefing is carried on by machinery,—whether on the Upper Mary or on the Fitzroy,—we are justified in expecting that at least the present production will be continued. From returns and other information in the possession of the Government, I believe that the Cape River Diggings are being further developed, and are now supporting a very considerable population. Judging from the exports from the three ports of Port Curtis, Maryborough, and Townsville, and from the quantities brought down by escort, I am justified in expecting that we shall receive at least the same amount from export duty as was received in 1868. There is, however, nothing whatever to justify me in anticipating that we shall receive the same amount from miners' rights and business licenses as last year. Honorable members are all aware that an immense amount was paid at Gympie during the first three months of last year, in fact a perfect rush took place for business licenses, for which considerable sums had to be paid, and the number issued in consequence was far in excess of the requirements of the place. The experience of the last two months has guided me as to what I should do, and I have not therefore considered myself entitled to anticipate from that source more than half the amount received last year. Notwithstanding that, it is with very considerable satisfaction that I felt that the amount received from the export duty may be taken as the criterion of the amount of wealth that is produced on the diggings. It would be, in my opinion, a

very bad thing indeed if the proportion paid for miners' rights and business licenses were too large, as that would be evidence of the fact that many more men were employed in business and in digging than could obtain a living. I will not detain the committee by referring to the revenue I expect to derive from the sale of duty and postage stamps, harbor and light dues, electric telegraphs and licenses, further than to say that a slight increase on each item is expected. All these items are dependent on an extension of trade and population, and it is satisfactory to see that they have increased year after year in much the same steady way as the customs dues have increased. The next point to which I will refer will be railways. The receipts during the last year amounted to £59,022. They were estimated by the honorable member for the Burnett at £60,000; so that he was remarkably near on that occasion. I estimate the revenue for the present year at £80,000, and I believe I am perfectly justified in doing so. I have brought with me, for the information of the committee, a copy of the monthly receipts on the two railways—the Southern and Western and the Great Northern lines. I find that, while they averaged about a little over £4,000 per month in the early part of last year, they now average about £6,000 per month. The receipts in October, November, and December of last year, were double what they were in January, February, and March. The railway receipts, it must be well understood, are not even throughout the whole year, but are heaviest about Christmas, when the wool comes down, and the goods go up. But, seeing that the receipts are, at the present time, increasing at the rate of 50 per cent. more than they were in the corresponding months of last year, we have certainly so much to the good; and, as another length of the line is now open, which, at all events, will receive the benefits of the latter part of the year, I consider I am fairly entitled to count an increase of one-third in the receipts when the actual receipts for the past three months have been half as large again as in the corresponding periods of the previous year. It may be asked why I have not estimated the receipts at half as large again, when during the last three months they were so? There were several reasons why I did not. In the first place, it was known that some portion of the wool which should have come down in the months of September, October, and November last did not find its way down by rail at that time, because, owing to the bad seasons, drays could not travel in many districts; in consequence, the traffic of those three months was less than it naturally ought to have been; but the deficiency is being added to the traffic of the present year, so that we are really getting an exceptional amount of traffic which can not be expected to go to the end of the year. It may be asked might not a similar accident of the

seasons occasion the same thing at the end of the present year, but if I had similar receipts in October, November, and December, it would not be necessary to take that into account at all. I think honorable members may be very well satisfied to take my estimate, which is merely an increase of one-third over the revenue of 1868, when I tell them that the revenue received during the past three months is an increase of one-half over the same period last year. Again it must be remembered that the additional length of line to Dalby was only opened in April last year, and that the equal length which has been opened lately to Allora would be available at all events for three-fourths of the year. I have good hopes that the time is not far distant when we shall be able to show that our railways do pay an appreciable portion of the interest accruing on the sum expended in their construction. Honorable members, no doubt, have noticed that I have not made any allusion, so far, to the proposition made in the Vice-regal Speech with which the session of Parliament for 1868 was opened, respecting the reduction of the *ad valorem* duties. I hope honorable members will agree with me that it is utterly futile for the committee to talk about reducing those duties, or of interfering, or making any alteration whatever with respect to the various items of which the revenue is composed, so long as the expenditure annually exceeds the revenue. It is absolutely necessary for us, if we wish to maintain our credit, to take care that the revenue shall be in excess of the expenditure, before we attempt to talk about disposing of our surplus. When the honorable member for the Burnett made his proposition respecting the reduction of the *ad valorem* duties, he no doubt considered those duties exceedingly objectionable. I am of the same opinion, but I also consider that a great many other duties are also objectionable. There are two or three special objections which apply to *ad valorem* duties. One is their comprehensiveness. They touch every possible article, and, in consequence, are extremely troublesome. They are a perfect annoyance to every man who travels, and every man who imports anything whatever. I believe myself that the Government do not receive a corresponding benefit for the amount of annoyance caused chiefly by the comprehensiveness of these duties. Another objection to them is, that they are a temptation to the making of erroneous declarations, and I believe those two objections are so strong, that it is the duty of any Treasurer to take them into consideration the very first time it is in his power to revise the estimated revenue in any way whatever. It cannot be done until the revenue will more than cover the expenditure, but I think the *ad valorem* duties are the first that ought to be considered when that time arrives. It is quite possible to remove *ad valorem* duties, and substitute in their place fixed duties on a specified number

of articles—something like a dozen or a score. By such a plan, I believe we might receive as large a revenue as we now obtain from the *ad valorem* duties, and at the same time be free from certain objectionable things now complained of. But, until we are in a position to see our expenditure below our receipts, I, for one, shall object to bring forward any plan which would have the effect of altering the manner in which the revenue is collected, because no alteration is certain in its effects. The proposed alteration might increase the revenue, but then, on the other hand, it might not, while we have fair grounds for anticipating the revenue so long as we know the manner in which it is collected. I should be very glad to propose to the House some alteration when we arrive at the position I have referred to, but it is no use talking of any alteration until we have a surplus revenue. I have shown that, during each of the four preceding years, there has been a large deficiency—in 1865 of £47,000, in 1866 of £118,000, in 1867 of £55,700, and in 1868 of £46,600. I wish to show the committee that those deficits had been accumulating and going on every year, and that the Government consider it absolutely essential that the course of over expenditure, so long pursued, shall be stopped. It was perfectly clear we cannot go on to the last spending money in salaries in excess of our current revenue, and then having to borrow on long-dated loans to pay salaries and current expenditure. The Government are determined—as far as they are concerned at all events—that these constant series of deficits year after year shall be stopped, and we call on the committee to give us their assistance in taking care it shall be done; and I hope they will enforce the same course of conduct on the part of any Government that may be in power. There are only two ways in which that could be done. One is by increasing the revenue, and the other by reducing the expenditure. There might be two or three items which might be open to taxation yet, but I am quite certain the House would not listen to me if I brought forward any proposition for additional taxation, nor could I agree to bring such a proposal forward. We may, therefore, set aside that point, for we could not have additional taxation. The taxation is now quite enough to govern the country with. Therefore the alteration must be made by a reduction in the expenditure. During the last three years the revenue has increased on an average at the rate of £115,000 per annum. One would think that steady increase ought to have saved us from over expenditure; but the rate of expenditure has increased almost as fast, the increase being at the rate of £90,000 per annum, for the last three years; so that it has pretty well kept up with the increase of revenue. I estimate there will again be a considerable increase, over £60,000, for the present year. Is it practicable to allow the same staff which governed the country in

1868 to govern it in 1869 without any additional expense? Because if we can once bring the expenditure for any one year within the limits of the previous year, we shall, by the rising buoyancy of the revenue, be enabled to make both ends meet. The actual expenditure for 1868 was £771,532, and the estimated revenue for 1869, £786,300. If we could keep the expenditure for 1869 within the limits of that of 1868, we should succeed in avoiding a deficit at the end of the year. I believe it to be the duty of the committee to take care that that is done by the Government of the day, for the reason that, unless they do so, they will have at the end of the present year to borrow to meet the deficiency. It was essential that the committee should determine there shall be no deficiency during the current year. I will now refer to the Estimates of Expenditure; the Estimates have been laid on the table some few days, and no doubt honorable members have carefully examined them. It is not at all improbable that, on first looking over them, honorable members may have felt inclined to say that they show no reduction. But it will not do to judge merely by comparing the amounts set down for 1869 with those placed opposite them as having been voted for 1868. It must be remembered that those sums, as they stood on the Estimates, did not include Supplementary Estimates, which amounted to £93,000. If that amount were added to them, it would be found that the proposed expenditure for the present year is very much less than that of the actual expenditure of 1868. It is quite necessary the committee should fairly appreciate the difficulty the Government have had in dealing with the matter, and in making reductions. The Estimates, as prepared in the office at the end of November last, amounted to £792,000, while those laid on the table only amounted to £732,000, so that the Estimates as they then stood have had £60,000 taken off them since. In order, however, to set myself right with my honorable friend, the member for the Burnett, I must explain that the Estimates I refer to as amounting to £792,000 were those prepared by the heads of the various departments, as shewing the sums they would require for the present year. I do not mean to say that they were the Estimates of the honorable member for the Burnett, because I am not aware that that honorable gentleman had examined or passed them. It is quite possible he may have intended to reduce them. If he had continued in office, he might have made similar reductions to those which I have had to make. Notwithstanding that those Estimates have been reduced by £60,000, I am quite prepared to hear honorable members assert that no reduction had been made worth speaking of. I merely mention that to shew how difficult it is for a Government to deal with the matter. It will be seen that the schedules in

the Estimates, which amount in last year to £12,648, are put down at the same amount for the current year. The sum asked for the Executive and Legislative department is £3,677, as against £9,566 required last year. The Government have not considered it advisable to make any propositions for a heavy reduction in the Houses of Parliament for the present year. Members of the House knew just as well as the Government what the requirements of the House are, and accordingly I have considered it best to leave it for them to settle the matter when it comes before them. In the Colonial Secretary's department, the actual amount voted for 1868, including the second Supplementary Estimates, will be £215,153, while only £173,218 is asked for 1869; in the department of the Administration of Justice, £12,872 is asked for as against £15,619 in 1868; in the Colonial Treasurer's department, £51,716 is asked for as against £62,093 in 1868; in the department of Public Lands, £44,596 is asked for as against £44,327 in 1868. In that department a large additional expenditure has been incurred during the middle of last year, which must be continued during the present year, and surveys and other items have also been very heavy indeed. A part of that may, however, be reproductive, as I estimate that we shall receive £12,000 for survey fees. It has, therefore, not been considered advisable to make any heavy reductions in the Lands department for the present, though I trust very shortly to be able to make them. For the department of Public Works, only £109,452 is proposed for 1869, as against £138,931 in the previous year, so that there is a reduction of £29,000. That was a very large amount, but the Government do not in any way take credit for it, for this reason: Although £138,000 was voted in 1868, a very large portion of the amount voted for railways, was not expended. The late Government kept the expenditure down far below the amount voted by the House. The Government have not considered it necessary to put down more than the actual expenditure last year proved to be required for the maintenance of the lines and other public works. No very large reduction can be made in the Postmaster-General's department, so that £68,628 is asked for as against £70,000 of the year before. I trust honorable members will go into those figures carefully. In preparing the Estimates the question arose as to the best manner of making reductions in the public service. I will briefly explain the principles upon which the Government have been guided in making the reductions. When they came to consider the Estimates in February last they first took off all increases in salaries which were proposed, the object they had in view being to bring the Estimates for 1869 down to the actual expenditure of 1868. I think it advisable we should set out with that object in view, our aim being to

see if we cannot reduce the expenditure of 1869, without detriment to the public service, to that of 1868. I believe it can be brought even below that without detriment to the service; but, as it is one of those things, in dealing with which it is not advisable to attempt too much at once, and as my experience leads me to say, that whenever the Government or the committee have made any very severe attempt at retrenchment they have failed altogether, I think it is better we should proceed about the change gradually and steadily. In reducing the Estimates to the actual expenditure of 1868, the Government have attempted to reduce the number of officers in the service rather than the salaries. In the latter system I do not believe. I felt satisfied a very considerable reduction in numbers could be made in many places, by omitting offices which an examination clearly proved to be unnecessary. Another way in which a considerable reduction might be made, would be to get rid of some of the duplicate work in the offices. There were many cases where duplicate work was being carried on in different offices, a good deal of which might be dispensed with. Reductions might also be made to a considerable extent by combining offices. In several cases, officers have been appointed who have very little work to do, and who could perform additional duties which are perfectly compatible, but for which other officers have been appointed. Those appointments have very likely been made at a time when the office was really required. But that necessity has now been done away with, and the Government have not been made acquainted with the fact. I believe there are many cases of this sort. Now, sir, with regard to the Estimates of Expenditure laid on the table of the House, I do not know whether honorable members wish me to go over the various items *seriatim*, as it is usual for the discussion and explanation to take place as the different votes are moved. There are, however, one or two items on which I will offer a few remarks. The first item is that of police. It will be found that the Government propose an increase upon the Estimates-in-Chief of last year. There, the sum of £36,446 was provided. We propose an expenditure of £37,069, being a small increase on the previous year's expenditure for the police. This is virtually a larger increase than it appears to be, for there are several items, such as orderlies for Government House, which were put down separately; but it would be seen that the estimates were in excess of those of 1868. We have not considered it advisable to make any large reduction on the police votes at present, because if they were made suddenly, they might have the effect of disorganizing the force. If I were to add to the small excess on this vote the cost of the orderlies at Government House, and the expense of the police force at Somerset and other places, it would be found that the sum

asked for is as near as possible the same as that actually expended in the year 1868, which amounted to £39,630. Honorable members will decide whether the sum put down is a proper sum to allow. I think it will be advisable for me to pursue the course which has always been taken by this House in reference to the estimates for expenditure, viz., to allow the discussion to take place upon each item as it is brought forward. I shall not, therefore, refer to any other item except that of police. I have now shewn that the Estimates that have been laid upon the table shew a reduction of £60,000, in comparison with the usual manner in which the Estimates have been prepared for several years past. I would wish to guard myself against being understood to say that they shew that reduction as compared with the Estimates of my predecessor. What I mean to say is, that they are reduced by £60,000 as compared with the amount they would have reached had they been prepared on the plan that has been followed since Separation up to the present time. Now, that reduction, though some might not think it quite large enough, is quite sufficient, I maintain, to show that the Government are in earnest in their professions of a desire to decrease the expenditure as far as practicable, consistent with maintaining the efficiency of the public service. With regard to the general principles on which reductions have been made, the first principle we adopted was to allow no increase to salaries. On the other hand, we have rather endeavored to reduce the number of the civil servants as far as it seemed to be practicable. Now, I am quite aware that the last statement I have just made about reducing numbers as far as seemed practicable, might not appear to some honorable members to have been regularly carried out throughout the Estimates. I am myself fully aware that such is the fact; but it must be borne in mind that this must be a work of time—that it is a work that cannot be done all at once. What we have done in that way already, however, is, I hold, sufficient to shew that we are in earnest. We could not disorganise the service by making wholesale reductions all at once. Further reductions can only be made after due examination of the amount of work that has to be done in the various offices. The delay which has occurred since the House met in January last, has enabled the Government to make some reductions already, in some offices. As those reductions are made, we may be told that they are right enough, if it could be shewn that they are part of a general principle; and it may be asserted that they are not so. The principle of a general reduction, however, cannot be carried out suddenly, or in a wholesale manner, but must be done carefully and gradually. Now I will just give the House an instance by way of illustrating the difficulties that stand in

the way of making reductions. About Christmas last, I consulted with one of the heads of a department as to the reductions that might be made in his department, and the gentleman assured me that it was impossible to make any reductions. I spoke to him again on the subject, and he still insisted that it was not possible to make any reductions in his department. Well, I told him at length that some reduction must be made, and we sat down and went over the list of officers together, and the gentleman I am now referring to pointed out himself where about £600 could be saved. He then said that his reason for not mentioning this to me at first, was that the reduction would throw one or two worthy officers out of a living, and that he was willing to shew where reductions could be made if he felt sure that the officers who might be struck off would be appointed to other offices in the service. Now, I have heard it said that if the head of a department did not suggest such changes as he knew might be made, he ought to be dismissed; but that is a proposition which I cannot agree with. I hold it is the duty of the Ministry to find out what reductions can be made, and to make them; and if the Ministry does not make them, it becomes the duty of the committee to insist upon them doing so; and I feel confident that we would not have got into a condition of over-expenditure, if the committee had done its duty in that respect. It is the duty of the committee to say to the Government, "We will not allow you to retain office if you do not keep the expenditure within the income." It is the duty of the committee to say that to the Government of the day whoever they may be; and I should myself be unwilling to continue in office, unless there was some prospect of keeping the expenditure within the income. Now, I believe that all that is necessary in order to accomplish that is that the Government should have the support of the committee in their attempts to do so; and I am perfectly satisfied there will then be no difficulty whatever in the Government shewing, at the end of the present year, the result which I have mentioned. If the Government should receive the support of the committee in the reductions they propose to make, they will have no difficulty in shewing a surplus on the 31st of December next. But I am quite aware that it is not possible for any system of retrenchment to be carried out that some honorable members will not be found to object to. One honorable member will be found to say that this particular reduction should not be made, and that the same amount might be taken off somewhere else—and so on. Now, it is scarcely possible to make reductions that some honorable member would not object to. I believe, however, that if the committee will support the Government in the reductions we propose to make, wherever a fair reason is given to show that the ex-

penditure is not necessary, there will be no difficulty in shewing at the end of the year a very fair credit balance. But it all depends upon the committee. If the committee should pass resolutions, and honorable members bring forward motions, placing large sums on the Estimates, of course they would disturb the balance; and if the sums so put on should reach a certain amount, they would put the balance the other way. Now, it is essential we should change the course we have hitherto followed. If honorable members will look at the eighth statement of the printed memoranda relating to the financial statement, and to the last column in the eighth statement, they will see the expenditure for each year less interest and sinking fund. The figures in that column shew the actual amounts paid away in salaries, contingencies, and incidental expenses, for the Government of the colony. If honorable members will run down that column, they will see how much has been the increase every year. The year 1867 was the only year in which the amount was less than its predecessor. In 1866, the amount was £504,466; in 1867, it was £481,265; and in 1868, it was £531,759. Now, honorable members will see by this column, that though the revenue has increased very largely, our expenditure has grown up more largely. My object in referring to these figures, is to show that as the expenditure for 1867 was smaller than that of 1868 by £23,000, and as no public inconvenience arose from it, that may be taken as a proof that the position I have taken up is a correct one—namely, that it is possible to bring the expenditure for the year to something less than that of the previous year, and that by so doing, we will secure a surplus. The figures I have given, show an increasing deficit every year until it has arisen to £350,000; and such increasing deficit shows that it is absolutely necessary to take an opposite course to that which has hitherto been followed; and that, instead of allowing the expenditure to exceed the revenue, we must adopt a course that will have the effect of making the revenue exceed the expenditure. I think the figures I have quoted are sufficient to show that that is perfectly practicable without interfering with the efficiency of the public service. In 1867, the expenditure was £23,000 less than that of the preceding year; but again, in 1868, the figures mounted up to an addition of £50,000 over 1867—that is, £50,000 more was expended in 1868 than in 1867. Now, it appears to me that, such being the case, we should be able to keep the expenditure at the figures for last year; and I have stated how that may be done. I should, perhaps, now say a word or two as to salaries. Well, the amount voted for wages and salaries for 1868, including all the Supplementary Estimates, was about £214,000. The amount on the present Estimates is somewhere about £190,000. I

mention these figures to show that if only £190,000 out of £490,000 goes in the shape of salaries, it is evident there must be other places besides the Civil Service to which we must look for retrenchment. It is clear that all the items under the heads of incidentals, contingencies, and miscellaneous expenditure, require to be under careful control; and if a careful control is maintained over them, then the expenditure under those heads might also be very much cut down. A considerable reduction may be made in the expenditure, and a corresponding increase made in the revenue by a reduction of what is known as "pickings." I think a considerable reduction may be made in that respect. In regard to the question of salaries, I think it would be exceedingly unwise to make a *pro rata* reduction of salaries, for to do so would be to treat the good and the bad alike. I think it is better to reduce the number; and, without reducing salaries whatever, the Estimates shew a reduction of £23,000 in salaries alone, being somewhat more than twelve per cent. on the total amount of salaries for 1868. Now, I do not think that by a *pro rata* reduction any one would propose more than a reduction of from ten to fifteen per cent. Well, by the course adopted here, that of reducing numbers, a reduction of expenditure is made to the extent of about twelve per cent., and that more effectually than by a *pro rata* reduction of salaries. I do not propose to do that, however, by dismissing the civil servants in a wholesale manner. Their interests will, of course, have to be considered; and any one who has been in the service for a number of years, and has done his duty well, his interests must be fairly considered, but not to the detriment of the public interest. Now it occurs to me that a great deal might be done in the way of reduction, by taking officers from one department, where they might be spared, and appointing them to other departments. The present Government have been in office now nearly four months, and they have not made a single appointment during that time. I mention that fact as an evidence of the principle we propose to act upon. We have made one or two removes, but we have not made a single fresh appointment; and I may mention that those removes were from offices where the parties could be spared, and the vacancies so occasioned have not been filled up from outside. Now as vacancies occur by death or otherwise they should be filled up in this way, and by doing so, and not filling the vacancies occasioned by such transfers, a great saving might be effected in the course of twelve months, and yet no injustice be done to any member of the civil service. I have shown that every year, almost since Separation, there has been a growing deficit. In 1863 it amounted to £77,000, and it was then wiped off from the loan fund; and it has arisen again to £350,000, and is still going on increasing. It is posi-

tively necessary, for the credit of the colony, that we should discontinue borrowing money to pay salaries, and in order to do this we must either increase taxation or reduce expenditure. One or the other must be done, or the colony will be ruined. Now I will be no party to bringing forward a proposition for further taxation; and therefore I trust the House will support the Government in adopting the other alternative—a reduction of expenditure. I have also shewn that while there is an average increase in the expenditure amounting to £90,000, there is an average increase of revenue amounting to £115,000; and if we get another year's increase like that, I am satisfied we will, at the end of the year, have a considerable surplus. I do not pretend to say that we have done all that might be done by way of reduction. Further reductions might be made, without detriment to the public service; but they must not be made rapidly or inconsiderately. At the present time, I am not prepared to point out where those reductions could be made. Now, I repeat that the fact that, during the four months we have been in office, we have made no new appointment, is a proof that we are in earnest in our desire to reduce expenditure. While we object to hasty or further reductions being made at present, we are prepared, at the earliest opportunity, to go through every office carefully, and unhesitatingly make such reductions as are evidently required, or may be required. I would further point out that I hold it to be the duty of the Treasurer to keep the Cabinet carefully informed as to the state of the finances; and if it should turn out that the revenue falls short of the estimated income, it will be the duty of the Government then, as they did two years ago, to take immediate steps to bring down the expenditure in the same proportion. When I was in office formerly, now about a year and a-half ago, I found in the month of July that the actual revenue was falling off most seriously from the estimated income, and I pointed this out to my colleagues; and they went heartily to work at once and made considerable reductions, in accordance with the falling off in the revenue. It was absolutely essential that such should be done, and we did not hesitate to do it; and I am prepared to take the same course now. I may also state that I am perfectly satisfied that it was owing to our taking that course, that the expenditure for 1867 was less than the expenditure for the previous year. Now, I hold it will be the duty of the Executive to take that course again if necessary; otherwise the Government may have to face the House, year after year, with an increasing deficit. I trust I have now said enough to shew to honorable members that it is perfectly within our power to stop the rash course we have been pursuing for some time past, and to go back to something more reasonable. I would like now to point out

what appears to me to be a pressing necessity for the House taking these Estimates into consideration at as early a period as possible,—and that is on account of the exceptional position in which we are now placed. These Estimates, in the usual course of legislation, should have been before the House in August or September last. It is now March of the year to which these Estimates apply, and the consequence is that we are going on with an unauthorised expenditure. The Government are desirous that the Estimates should be dealt with as early as possible, for great inconvenience arises from their not having been passed before the end of last year. We are now three months into the year to which they apply, and it has not been possible to open the books properly in any department. The accounts, therefore, can scarcely be kept properly in the departments, and that prevents a proper check being kept upon the revenue and expenditure. I mention this to the House for the purpose of shewing the necessity there is for dealing with the Estimates as speedily as possible. I do not wish the Estimates to be rushed through, but I think there should be as little delay in dealing with them as possible, and that their consideration should not be put off to the last moment. There is another reason why no time should be lost, and it is this, that in a month or six weeks the time will have arrived when the Estimates for 1870 should be placed upon the table; but it is necessary in the first place to get through with these arrears. Now, I would suggest that the committee should take the Estimates the first thing, so that time might be afforded to the Government for the preparation of the Estimates for 1870, in order that they may be laid on the table, as near the usual time as possible. I might refer at some length to the remaining table on page seven of the printed memoranda, relating to revenue, population, imports and exports, and the products of the colony; but I will content myself with this remark—that a careful examination of those figures will shew that whatever difficulties the colony has passed through, or may be going through, at present things are really in a sound and healthy state, and that the prospects for the future are increasingly good. I would point out that the figures of four or five years ago, when there was such a degree of apparent prosperity, were altogether fallacious. The prosperity of that period rested, to a great extent, upon borrowed money. Now, these figures shew that while our imports, for which we have to send money out of the colony, are decreasing, our exports are steadily increasing. The returns for last year may shew a trifling deficit, owing to the fall in the price of wool; but I would point out, on the other hand, that other products of the colony—cotton, gold, and copper, already occupy a respectable place in our list of exports, and sugar and

rum, I am confident, will soon occupy a similar position. As to the staple product of wool, I am aware that the producers have had no end of difficulties to go through; but I am confident that, in a very short time, it will be shewn that those difficulties are surmounted, and that a large increase in that product is going on; and that such increase is being shipped at a less cost than before—which large cost I hold to have been one of the principal burdens the producer had to contend with. It is no use to look at the value of the export, if it is produced at too great a cost. We must look at the amount of profit that is left to the producer after bearing all expenses. If we look to that, I am confident we will find that at the present time the colony is in a prosperous condition, and that it is steadily improving. Though I admit that we have not by a long way got over the difficulties caused by the extravagancies of former years, I can freely assert that we are getting over them, and that every industry is at present in a thriving condition. I need not detain the committee any longer, and will therefore conclude by moving the resolution.

Sir R. R. MACKENZIE said that, as he thought it desirable every facility should be given the Government for passing their Estimates, he rose for the purpose of proceeding with the debate that evening. No doubt if there was an adjournment, he should, when the debate came on, be better prepared for taking up the question. The statement made, however, was an exceedingly simple one, and one that could be easily answered in debate. He had no doubt the honorable Treasurer was reserving himself for a second financial statement, on which occasion he would probably enter more fully into all matters connected with the finances. He had an additional reason for wishing to speak that evening, and that was, that if an adjournment for a lengthened period took place, it was more than probable that he would not be in the House to join in the debate. He wished to give the House the benefit of his experience, with regard to the manner in which retrenchment could be effected, for what it was worth. Honorable members could easily understand that he did not rise to embarrass the Government, or to make objection to the statement just made, for any purposes of his own. He had many objections to the Estimates, but if he mentioned them, they were of such a character that he could shew the remedy. He objected, in the first place, to the manner in which the figures had been brought forward. By bringing forward the deficits of preceding years, honorable members would be likely to be misled. When he made his financial statement for 1868, he pointed out that the deficit up to 1867 was wiped off, and did not stand in the Treasury books. It was cleared off by the sale of Treasury bills, and the moneys received as deposits at the Government Savings Bank. He, there-

fore, considered it had been swept off, and it ought not to have been brought forward again. He did not think, either, that the Treasurer had fairly stated the position of accounts on the 31st December last. He would like to ask the honorable gentlemen whether the amounts put down in the figures as liabilities for 1868, had not been paid out of the revenue for 1869? Another part of the statement was incorrect—where the honorable member debited 1868 with expenditure carried on to the succeeding year, but said nothing about the revenue for 1868 collected in 1869, and which ought to be credited to the former year. The amount of revenue receivable for 1868, but not put to the credit of that year, would probably very nearly meet the deficit on the other side.

The COLONIAL TREASURER: No, no.

Sir R. R. MACKENZIE: Well, probably the honorable gentleman might be right, but that portion of his statement was likely to mislead honorable members.

The COLONIAL TREASURER pointed out that he had drawn up the figures in the way he had, in order that his statement might not differ from the report of the Auditor-General which would shortly be published.

Sir R. R. MACKENZIE: With regard to the Auditor-General's statement of accounts, he thought it might correspond with the closing of the Treasury books. The Treasurer's books were closed on the 31st of December, but the Auditor-General persisted in keeping his books open till all the accounts of the previous year were paid, making confusion very liable. The honorable member had shewn that his estimate of the revenue for 1869 was less by £48,000 than that estimated by himself (Sir R. R. Mackenzie). That was true, and he might say that changes took place so suddenly in the colony that it was almost impossible to make an estimate which would be nearly right. With regard to the proposed expenditure for 1869, he had many objections to the manner in which the reductions had been made. It was not by small reductions of salaries that any appreciable difference could be made. All alterations were useless unless the Government were determined to resist any attempt to increase the expenditure. Any rash diminution in the number of officers was very reprehensible indeed, particularly at a time like the present. He knew of many instances in his own experience in which the services of a number of officers had been dispensed with, and compensation had been paid to them; but something had shortly after occurred, and they were all taken on again. In 1867, a state of things very similar to the present existed, large reductions were made by the House, and agreed to by the Government. The Supplementary Estimates for that year, however, amounted to £114,000. Many officers who had received compensation were taken on again, in consequence of the breaking out of the gold fields.

The Civil Service would always continue in an indifferent state as long as appointments were made under the system now in operation. A great deal had been said about the power of patronage in the hands of the Government, but it was the greatest curse of office. Under the present form of Government bad appointments were almost unavoidable. A pressure was often brought to bear on the Government in connexion with the appointments, and to that pressure they often had to yield. Late events had brought the Civil Service of Queensland into great disrepute in the colonies. Two officials holding very high and important positions in the service had been convicted, one of actual murder, and the other of the next thing to it. He believed the service should be thoroughly re-organised. It was a remarkable coincidence that both in England and in the other Australian colonies, attempts were being made to reform the Civil Service. In England especially, this was much needed, as the whole of the arrangements in the Civil Service had got beyond the knowledge or control of Parliament. He had lately seen a letter from Mr. R. G. W. Herbert, now Under Secretary to the Board of Trade, to a gentleman in this colony, in which he stated it was with the greatest difficulty he could get his clerks to come to the office by twelve o'clock. He did not think the Treasurer had gone about his reductions in the right way. Reductions of salaries, particularly of old and tried servants, were very objectionable. That course, however, had been adopted in the present Estimates. There were several officers who, in addition to the salaries voted them in the Estimates, received other sums for services performed which did not come regularly before the House. They received, in fact, sums ranging from £50 to £200, from sources of which the House were entirely ignorant. A reduction of salary had, for instance, been made in connection with the Under Secretary to the Treasury. There were no more valuable officers than the Under Secretaries, who should receive salaries ranging from £700 to £800. The Under Secretary to the Treasury received £600 per annum as such, £100 for managing the Savings Bank, and £50 as one of the Commissioners for Stamps. He was not overpaid by any means; but, in the present Estimates, that arrangement had been altered, and he was to receive only £550 salary as Under Secretary, instead of £600. It was mentioned in a foot-note that he received £50 a year as Commissioner of Stamps; but the fact that he got £100 as Manager of the Savings Bank was kept out of sight altogether. He had intended to have simplified the matter by putting this officer's salary, as Under Secretary, down as £750, and striking off his other salaries. He would like to know what retrenchment there was in giving this officer £50 less. It was a paltry attempt. If he had been an untried and overpaid officer, good

might have been effected by such an arrangement; but, as it was, the reverse was the case. It had often been said that Under Secretaries should receive £800 a year. The honorable the Treasurer had stated distinctly that he did not propose any reduction in the salaries of the civil servants in any of the departments; but he (Sir R. R. Mackenzie) found in one department—the Treasury—that four clerks whose united salaries amounted to £1,900 in 1868, were now set down at £1,500; and, he believed, they were all old and well-trying servants; so that the argument of the Treasurer that he was merely reducing the number, and not the salaries of the Civil Service, fell through altogether.

The COLONIAL TREASURER: No, no.

Sir R. R. MACKENZIE: Then, the Under Treasurer was reduced from £600 to £550—the principal officer in the Government.

The COLONIAL TREASURER: He would explain it, by-and-bye.

Sir R. R. MACKENZIE: Perhaps, the honorable gentleman had best do so now. Another method for effecting those reductions, according to the argument of the honorable the Treasurer, was, to make each officer perform as many duties as possible, and to give him a good salary. This had been tried from the very beginning, but never was found to answer. Sometimes an officer had more duties to perform than he could possibly get through; which was the case with the late Collector of Customs at Mackay, Mr. Baker. All sorts of duties had been put upon him, until his back was broken with the work; and, yet, immediately after he was removed, three men had to be appointed to do the work. The Collector of Customs, at Maryborough, was thought to deserve a higher salary than he was getting, so he was made harbor master of the port, with an addition to his salary of £100. He was also appointed sub-agent for immigration, at a salary of £50 extra. After some time, another harbor master was appointed, but Mr. Sheridan still continued to enjoy the extra £100. Immigration was done away with, and the salary too; whereupon Mr. Sheridan regarded it as a grievance. Of course, there was a medium in all things, but the difficulty was to hit that medium in dealing with such matters. He (Sir R. R. Mackenzie) thought he had said enough about the civil servants. He did not think any reduction could be made in that direction, which would have any appreciable effect upon the general expenditure. What did it all amount to?

The COLONIAL TREASURER: £24,000.

Sir R. R. MACKENZIE: He did not know how the honorable gentleman was able to make that out. There was an additional £1,000 for the salary of a fifth Minister; though the House had seen that one honorable member had consented to join the Government conditionally on their salaries being £800 each. There was a motion on the notice paper for

the payment of members, which, if carried, was calculated to cost the country over £12,000. That would have to come out of the consolidated revenue. The House would stultify themselves to carry it, if they were going in for reductions in the Civil Service. He disagreed with the proposal to throw several persons out of employment, who could not get it in any other direction; and, after all, it would be found that very little could really be made. There was a reduction in the number of police magistrates. Well, he never was an admirer of police magistrates, since the principles on which they were first proposed to be appointed had been done away with—that they should possess certain qualifications;—and, therefore, he did not complain about that; but, at any rate, the reductions should be reasonable. He saw that four or five were to be struck off, and he could only say, if it could be done in one town, he saw no reason why it could not be done in another. He saw, for instance, that there was £500 on the Estimates for a police magistrate for Ipswich; and the police magistrate of Maryborough was struck off. Now, with the gold field at Gympie, and the increasing importance of Maryborough, in consequence, he did think that that town required a police magistrate quite as much as Ipswich. The police magistrate of Gayndah had been struck off; and if he (Sir R. R. Mackenzie) were in the House when the question came up for discussion in committee, he should try to get a number of other towns treated in the same manner. There was a reduction in the police, and of such a character, too, that the force would rapidly arrive at a point at which the force would be all officers and no privates. The Estimates showed a very large number of inspectors and sergeants, with a great disproportion of constables. He was not at all in favor of the present police system. From his own experience, the present was a system which taught the men to pay no regard to anybody except the commissioner; and the country justices had been insulted and treated with the greatest disrespect on all possible occasions by the constables. He could give an instance of the kind:—When at the head of the late Ministry, he visited Gympie, and although he was informed that there was a sub-inspector stationed there, that officer never came to report himself, nor made any effort to put himself in communication with him, to see if his services were in any way required. A sergeant of police was the only member of the force at Gympie who made himself known to him. He (Sir R. R. Mackenzie) was not prepared to say that the police had not been well managed in some respects, but he did say that the system which took out of the hands of the local magistrates all control over the police, was defective. If the honorable the Treasurer wanted to reduce the cost of the force

must go to the head of it. He was quite persuaded that there was a great deal of extravagance in the police department. A large amount was put down for contingencies—£12,300. He firmly believed that the Commissioner of Police—like many others—never looked forward a single day to see how unnecessary expenditure could be avoided, and, therefore, large as the sum was which had been granted for contingencies, there had not been a single year in which the vote had not been exceeded. Last year, when going over the Estimates, he (Sir R. R. Mackenzie) endeavored to get the official heads of departments to keep within their estimates; but, unfortunately for him, the gold diggings broke out, and an additional expense had to be at once incurred for police protection. Shortly afterwards, the expenditure of the customs was increased, and that also was set down to the breaking out of the gold fields. Well, they had not that excuse to fall back on now; as he thought, this year, there would be no increased expenditure for gold fields; and he would strongly advise the Government, if they wanted to retrench, to keep their officers strictly within their votes. He could bring forward instances where hundreds of pounds might be saved by a little foresight on the part of the heads of departments. The penal establishment at St. Helena was another very expensive affair; it was £3000 last year—this year it was set down at £5000. There was an item in which some reduction could be made. An item on which information was required, was the reduction in the department of education, as the honorable the Premier had, in his electioneering speeches, spoken of his liberality in the cause of education. Another item in the Estimates, which he would mention was one on which he had always a “down”—in colonial *parlance*—was the Colonial Stores. He believed that, so long as there was any hangings-on in the shape of a salary in connection with the stores, they would not be given up. It was thought, at the beginning, that stores could be got cheaper in England than in the colony, and so they could be, perhaps; but mistakes were made—stores had been got out, of all kinds, from a needle to an anchor, which never had been wanted, and never would be. Some time ago a number of firearms—needle guns—were imported, and, when they arrived it was found that no use could be made of them. Another item appeared on the Estimates, which he would not say could be reduced, but which ought to be very closely watched, otherwise great abuses would creep in, and that was the amount granted for the support of paupers. The late Government had been fully convinced that a great amount of imposition was practised, and they had tried to check it by appointing a board to assist in investigating claims for relief; but he did not know that the board rendered much assist-

ance in that respect. Then again, with respect to the grants in aid of public institutions; he saw that £900 was set down for them—the same amount which was granted last year. Most of the money was expended in the way of grants to Schools of Art and similar institutions, and he thought it was utterly wasted. Take, for instance, the two principal Schools of Art in the colony—those of North Brisbane and Ipswich; both were in a state of insolvency.

The ATTORNEY-GENERAL: No; the Brisbane School of Arts had got rid of its mortgage debt, and was paying its way now.

Sir R. R. MACKENZIE: Yes, it had got rid of the mortgage, and also of the building, towards which the Government had paid £2,000. With regard to the item for “miscellaneous services,” he saw that a very large sum had been set down. He saw there £1,500 for Admiralty survey, in connection with the port of Moreton Bay. £4,000 had been already expended on a minute and unnecessary survey of Moreton Bay. The survey had been commenced some years ago at Point Danger, and now it was only extended to a short distance beyond Wide Bay. He thought the House should have some control over that expenditure, and be able to satisfy themselves that the survey was proceeding properly. Another subject he wished to refer to was the Geological Survey. He saw that further expenditure in connection therewith was to be discontinued; and possibly the Government would lay themselves open to a demand for compensation, for having engaged the surveyors with whose services they were now suddenly dispensing.

Mr. PALMER: There was no guarantee. It was expressly understood, at the time they were engaged, that there were to be no claims for compensation, if their services were dispensed with.

Mr. LAMB: That was clearly understood.

Sir R. R. MACKENZIE observed that Mr. Aplin was induced to give up an appointment under the Victorian Government, to come up to this colony; now, his office was to be done away with. That was the way in which the Civil Service was brought into contempt. The House were now called upon to stultify themselves, after having resolved to have the geological survey of the colony made. For his (Sir R. R. Mackenzie's) part, he did not agree with the geological surveyors' dancing about on the gold fields. His idea was, that the geological survey should commence at a certain point, and be carried right through to completion. He turned his attention to the reduction of the Engineer-in-Chief of railways and all his staff. No doubt, honorable gentlemen on the Treasury benches were careful of what they were about. Next, he would direct attention to an item upon which he could speak from experience—and a reference to which two motions in his name stood on the notice

paper—expenditure for repairs, furniture, and incidentals to public buildings, including Government House. He might not have an opportunity, hereafter, of saying anything upon the subject. The first notice, touching the purchase, by His Excellency the Governor, of furniture which had been provided for the reception of His Royal Highness the Duke of Edinburgh, he should not bring forward; but the other motion had reference to quite another item of expenditure connected with Government House. He (Sir R. R. Mackenzie) might as well make honorable members aware that while they were flattering themselves that the Governor of the colony got only £4,000 a year, the country actually paid £5,000. The late Government being aware of the fact, desired to put a stop to it. They had found that a large amount was regularly paid for furniture, pots, pans, and kettles, for Government House, and that without the sanction of the Parliament: it was paid out of the vote for public buildings. He did not blame the Government of the day for it; but he wished that, in future, the Government should be supported by the House in resisting the payment. A memorandum was made out, so that, when the new Governor arrived—not to affect the Acting-Governor, as there was no necessity for that—there should be a limit to the amount to be expended on Government House. On the arrival of His Excellency the Governor disputes arose; and he (Sir R. R. Mackenzie) happened to be placed in rather an invidious position. Another memorandum was drawn up—the one which he called for in his second notice of motion—limiting what should be done or expended on Government House, either for furnishing rooms or keeping up the furniture—setting forth what the Governor was entitled to. It was very carefully done, and agreed to by the Government. He desired to know whether that had been altered by the present Government? He had put down a sum, which he had thought a very liberal one, reducing, in proportion, the two items for repairs and for furniture to public buildings. Honorable members would very likely recollect that some years ago there were great disputes about the matter, which was brought before the Assembly. In consequence of that, he had put on the Estimates a certain sum—so much for repairs—so much for furniture, for Government House; and he thought it a very good way of getting at the expenses, and getting the Assembly to say whether they would pay it or not. There had been a good expense laying on the gas—not only to the public rooms, but to all other rooms in Government House; and the country paid for it all. It cost the country no less than £350 a year for gas.

The SECRETARY FOR PUBLIC WORKS: Did you agree to pay for it all?

Sir R. R. MACKENZIE: No; he put it down on the Estimates, for the House to

decide if they would pay for it or not. On the Estimates of the present Government, £3,500 was set down for repairs, furniture, &c., to public buildings. Very little of that vote ever reached the public offices; and, indeed, if he should be in the House when the vote were asked for, he should move that it be struck off. It was not necessary at all. The honorable the Colonial Treasurer had expressed the hope that the railway would soon become reproductive, but he (Sir R. R. Mackenzie) did not believe that would be the case for years to come; and, as for the Warwick line, it would not, in his opinion, earn enough for grease for its wheels. The Treasurer had not said anything on the subject of a fresh loan; but he (Sir R. R. Mackenzie) would caution the House against borrowing further until the country was better able to bear the extra burthen. When the question of a new loan was entered upon, they were apt to forget altogether that the country had a quarter of a million to pay as interest on loans already. He deprecated the borrowing of more money for public works for no better reason than that it would give employment to a number of persons in the neighborhood of the large towns. If that was the only way in which prosperity could be restored—if it had no vitality independent of a large Government expenditure—it would be better to give up at once. Besides, he did not believe, if Queensland were to go into the English market to negotiate another loan for railways, that it would be floated. He would just read a few words from the *Banker's Magazine*, showing how the Queensland debentures had been discussed at home:—

“At one time, they were as low as 85, although now quoted at 105. It is perhaps a question, whether so small a colony is justified in having the large public debt of £2,200,000. It is even more doubtful, whether that debt has been wisely incurred, or judiciously expended, and it will be well if good and practical measures be devised to stay the progress of further liabilities, until after a period of rest, and recuperative power has been allowed to a colony, which has been somewhat too rapidly advanced by a species of fostering excitement, certain to be followed by the reactionary stages of frustrated credit and exhausted energies.”

That applied to Queensland at the present moment. That opinion was based upon the fact of the colony having borrowed £2,200,000. What would have been said if the writer had known that the public debt of the colony was nearly £4,000,000, might be easily imagined. He (Sir R. Mackenzie) had no motive whatever in commenting upon those matters, except for the good of the colony, and he trusted that honorable members would regard his comments in that light. He should be glad to learn that the present Government had been able to effect all the financial reforms they proposed, and he thought the Colonial Treasurer must

admit that he had let him down very lightly, indeed.

Mr. FRANCIS rose to move—

That the Chairman do now leave the chair, report progress, and ask leave to sit again on Tuesday next.

He acted upon the rule which had been adopted at the instance of the Colonial Treasurer, himself, on a former occasion, in Committee of Ways and Means. That honorable gentleman, at all events, could have no objection. It appeared to him (Mr. Francis) of the highest importance that the whole question of the finances of the colony should receive the most thorough discussion. It was impossible for honorable members to discuss a question of such magnitude without time for consideration of the very able statement which they had heard from the honorable the Colonial Treasurer, and for the examination of the figures which had been placed before the committee. He was not, himself, prepared to admit all that the Treasurer had advanced, though he admitted that his reasons were strong. It appeared that, on very many points, it was possible to take several and distinct views from the facts and figures which the honorable gentleman had given the committee—different from the views expressed by the honorable gentleman. However, it was not on matters of petty detail that the committee could be profitably occupied, this evening. Such should be reserved for the proper time, when the Estimates were brought under their attention. Their immediate work was to consider in what manner the financial affairs of the colony ought to be managed. He was quite aware that the affairs of the colony wore a very different aspect to honorable members, according to the side of the House they sat on: when they sat on the Opposition, everything was of a sombre hue; but, as soon as they changed sides, everything became suddenly invested with a rosy color. He hoped that the colony was, as the committee had been told, in a prosperous and sound condition; and he hoped the course of the Government and the Legislature would be to make good that assertion. But, when he considered the facts—the deserted condition of the towns—the almost stagnant condition of trade—he looked around and wondered where were the signs of the boasted prosperity! Were they to be seen in the present condition of the people? He believed, as much as any man, in the future of this colony. As a friend of his, outside, had said—“It was an exceedingly promising colony; but it was all promise! We promise to pay, and the colony promised to pay.” He did not wish to seem a croaker and to take a gloomy view of things; but it was the part of a wise and thoughtful man to look forward, always, for the real deliverance of the colony, and for the realisation of the promise of progress which was within reach. But he did not wish to enter into the general question,

now—he wished to speak upon it on another occasion; and, therefore, he pressed for the adjournment of the debate.

The ATTORNEY-GENERAL said that probably it would be convenient to continue the debate a little longer. Some honorable members might be prepared to speak, this evening. There was yet time to advance the debate, and make some further progress. An adjournment might afterwards take place for the convenience of those honorable members, who were not ready to address the committee.

Mr. BELL supported the motion of the honorable member for East Moreton, Mr. Francis; not because the statement the committee had heard from the honorable the Colonial Treasurer was of that elaborate character which some financial statements had which had been made in the Legislative Assembly, but because it was of an opposite character. Upon the face of it there was the impress of conciseness and clearness; but his experience was, that there was no more dangerous kind of speech, or one that required more close scrutiny than a statement of figures, including details, which appeared a clear and concise summary. For another reason, it would be well that the committee should not depart from the established rule of adjourning the debate on the budget after the honorable the Colonial Treasurer had made his statement. He (Mr. Bell) found great similarity in all such discussions if taken before honorable members had time to consider the subject: the police was pitched into; the Colonial Stores, which supplied everything from a needle to an anchor, was complained of; and so forth. On the next occasion, when the Treasurer's figures were inquired into, honorable members would be able to take a broader view of the financial position of the colony. For those reasons he would support the adjournment of the debate.

The motion was put and agreed to, and the House resumed.

SUPPLY.

The COLONIAL TREASURER moved—

That this House do resolve itself into a Committee of Supply.

The SPEAKER stated that Mr. Forbes' contingent motion, which appeared on the Business Paper, viz.:—

“That the Estimates for 1869 be referred to a Select Committee, to report thereon from time to time to the House, in Committee of Supply, with power to send for persons and papers, and to sit during any adjournment; such committee to be elected by ballot.”

could not be entertained at that time, as the House had already referred the Estimates to the Committee of Supply; and, until that order was rescinded, no honorable member could interpose with a motion to interfere with the order of the House.

The House having gone into Supply,

The COLONIAL TREASURER stated that the Parliamentary grant for two months for carrying on the Government of the country having expired last month, it would be necessary to ask for a further vote. The salaries for the month of March could not be paid without such a vote; and as it was uncertain when the Estimates would be passed, he thought that would be the readiest way of meeting the difficulty. Of the £80,000 already granted by the House, about £61,000 or £62,000 had already been expended, and he thought it would be advisable to authorise the expenditure of the balance for the March expenses, and to vote a further sum for the same purpose. He would therefore move—

That the Government be authorised to apply for the further service of the current year the balance of the vote of credit granted by the House on December 30 last, the terms under which it was available having expired on February 28. Secondly, that a further sum, not exceeding £30,000, might be granted to Her Majesty on account, for the purpose of defraying the charges of certain civil services during the present year.

Mr. MILES said he should oppose the motion, unless the Premier assured him the House intended to proceed with the business of the country next day.

The ATTORNEY-GENERAL said the Government were entirely in the hands of the House. They were perfectly willing to proceed with the business next day; but he believed a large majority of honorable members were desirous of adjourning until Tuesday next. He did not wish to throw any obstacles in their way.

The question was put and passed; and on the motion of the Premier, the House adjourned until three o'clock on Tuesday next.