

Queensland



Parliamentary Debates
[Hansard]

Legislative Council

THURSDAY, 15 AUGUST 1872

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LEGISLATIVE COUNCIL.

Thursday, 15 August, 1872.

Despatch of Business.—Homestead Areas Bill.—Treasury Bills Bill.—Loans Consolidation Bill.

DESPATCH OF BUSINESS.

Upon the motion of the POSTMASTER-GENERAL, who informed the House that the necessity was likely to arise for another sitting day, and that he trusted next week would end their labors, the following resolution was passed unopposed:—

That this Council do meet for despatch of business on Monday next, in addition to the days already named in the resolution of the 24th July.

HOMESTEAD AREAS BILL.

The POSTMASTER-GENERAL said that yesterday, when the resolutions for the resumption of lands from runs in the settled districts came up from the Assembly, with which resolutions the Homestead Areas Bill was materially linked, their consideration was put off until to-morrow, though he had desired that the House should take them into consideration, to-day, with the Bill. However, honorable gentlemen had thought it best to consider the resolutions after the Bill which he now brought forward for the second reading, namely, "a Bill for the establishment of Homestead Areas and Immigrants' Selections, and to amend the Crown Lands Alienation Act of 1868." They were all aware that by the tenth clause of the Crown Lands Alienation Act of 1868, it was enacted that

"No land within the part so leased to any pastoral tenants shall be resumable during the term of the lease except by a resolution of both Houses of Parliament when it shall be lawful for the Governor in Council to resume any tracts of land not less than eight square miles in area in one block and in respect of such land so resumed to make a proportionate reduction of the yearly rents paid by such pastoral tenants."

It was found, at all events, in the Darling Downs district, and in East and West Moreton, that the halves of the runs which had been resumed were nearly all alienated;—at any rate, such portions as were considered to be good and useful for agricultural purposes. When this was found to be the case it became necessary for the Government to provide for the increasing wants of the population; and honorable members could very easily see the difficulty under which any Government must be placed in bringing forward such a Bill as was now before the Council. The Government had tried, in framing the measure, to do what they considered good for the wants of the country. He was aware from what was said on the first reading of the Bill by the Honorable Captain Hope, that there were some honorable members present who viewed the Bill and the resolutions before alluded to with great dissatisfaction.

The Hon. J. TAYLOR: Hear, hear.

The POSTMASTER-GENERAL: But, at the same time, he wished those honorable gentlemen to consider that the greater portion of the valuable land had, in fact, been taken up by the Crown tenants—to secure their runs. The Government had little or no option in the matter; they must supply the wants of the people. There could be no doubt that persons immigrating to this country with the idea that there was a quantity of valuable land to be taken up, and finding that no such land existed, or that all the desirable portions had been taken up, must be greatly dissatisfied. Again, in resuming certain portions of the runs, if any run had been omitted, however unnecessary it might appear, some persons who came under the resolutions and under the Bill would be dissatisfied; and would say that there was no more occasion to place their runs in the market than there was to keep the other out. He hoped that honorable gentlemen would deal with the question in a liberal and honest way. Then, again, if portions of runs eight miles square were taken away from runs, as the halves of the runs had been resumed under the Act of 1868, and thrown open, honorable members would see that the best portions of the areas so taken away from the runs would be at once taken up either by the proprietors of the stations, or by some other persons, in the lump—just in the same manner as the resumed halves of the runs had been taken up. The Homestead Areas Bill had been introduced to provide more for the agriculturists than for the large settlers; and it was to prevent any person or persons from being able to take up the whole area resumed from any run. He had no doubt that there would be considerable discussion to-morrow, when the resolutions came before the House for consideration; and, therefore, perhaps it would be as well to defer the discussion of the resumption of the land until the resolutions were under consideration, and merely to deal with the Bill as a measure for

the encouragement of the settlement of the land by immigrants and small capitalists. He need not enter further into the Bill, now, as it explained itself; and he would move—

That this Bill be now read the second time.

The Hon. L. HOPE: He need hardly repeat the remarks that he made use of the other day when the first reading of the Bill was moved; and he supposed that he need hardly call the attention of honorable gentlemen to the facts of the case, as regarded the Crown tenants, who, not yet four years ago, were promised leases of their runs for ten years, in consideration of which, feeling some security that they would hold their runs, at any rate, until they were required for public purposes—the reference to Parliament being necessary—and confiding in justice and good faith, instead of finding fair treatment, now, found themselves subject to the caprice of the Minister for Lands. The Bill was brought forward, he contended, without any reason whatever. No valid reason was shewn, in the first place, why a Homestead Areas Bill was necessary, inasmuch as clauses fifteen and sixteen of the Land Act of 1868 already made provision for the selection of homestead areas to the extent of one hundred and sixty acres, anywhere in the settled or unsettled districts. The first part of the Bill, to the tenth clause inclusive, was simply unnecessary. The injustice of the Bill to the Crown tenants would be very great—to those who, on the faith of having some sort of security for their ten years' leases, purchased conditionally large areas of land on their runs; because it appeared from the selections already made, in forestalling the action of Parliament, that the land agents had been instructed to take any portion that might be desirable on any run—that was to say, they had taken the eyes out of the runs; they had taken the whole of the good land, the taking of which made the runs valueless to anyone whomsoever. Even if a man had a waterhole on his land, that was taken in too. The land agents were not bound by any rules of the Survey Office. They took both sides of the creeks; they did not limit themselves at all; they took every piece of ground which was valuable. As he said yesterday, there was no run which would not suffer, at the very least, a depreciation of 50 per cent. The greater part of the runs in the East Moreton district would be taken from the list of runs; in fact, many gentlemen had told him that, in the face of the resolutions, they would have to abandon their runs. That would be a loss to the revenue of the country. The Postmaster-General had given the House very poor arguments in favor of the Bill. He had said that the Crown tenants had taken up all that was desirable of the resumed halves of the runs. Whose fault was that? Were all the Crown tenants to be punished because the Government had made a mistake, he (Mr.

Hope) should like to know? The Government had made the Act, which was thought to be sufficiently stringent. It was an open question. The public could have competed with the Crown tenants under the conditional purchase system; and the public had not done so—because the land was not required! Was it more required now? It seemed to him that the Government were tampering, and that they expected to Council to tamper, with the law. There had been far too much tampering with the land laws of the colony; and that kept people out of the country. Capitalists would not come to a country where the land laws were tampered with every few years. Nobody would come to a country where such injustice was perpetrated as was now proposed under the Bill.

The Hon. J. F. McDougall: Hear, hear.

The Hon. L. Hope: The object of good Government was that the people should enjoy the investments they had made. There was no permanency of property sought to be established by the Crown tenants, but only a permanency of their leases; that they should be such securities as could be made over from one person to another. If he took a house on lease, he did not expect the landlord to come to him four years afterwards and resume half of it, or depreciate the value of it fifty per cent. The conduct of the Government reminded him of the state of things in the middle ages, when confiscation was a source of revenue. He should move, by way of amendment, that the Bill be read a second time this day six months; or, if the Postmaster-General would promise that he would consent to the amendment of the Bill in committee, the Council might make something of it rather than throw it out altogether. Some honorable gentlemen would not like to see the Bill rejected. He wished to have some assurance from the honorable gentleman representing the Government, that he would do something to make the Bill more acceptable than it was.

The Postmaster-General observed that with respect to his saying that he would consent to any amendment that might be made in the Bill, neither the Honorable Captain Hope nor any other honorable gentlemen could expect him to do anything of the sort. He did not know what amendments were likely to be made in the Bill. He should very much prefer that the Bill should be amended as the House chose, rather than that it should be thrown out; but he could not pledge himself to anything but the Bill of which he was in charge. Of course it was perfectly competent for the House to make such amendments as they might think advisable. The honorable gentleman who had moved the amendment had made some slight mistakes in what he had brought before the House. For instance, he had argued that if he leased a house he would not expect the proprietor of that house to turn him out before the expiry of the lease. He (the

Postmaster-General) agreed with the honorable gentleman, so far; but, if the house was leased with a proviso in the lease that, under certain circumstances, the proprietor might take one-half of the house, then the honorable gentleman could not deny that the proprietor had a certain right to do so. The leases under the Land Act of 1868 had been entered into by the Crown tenants with the condition that the runs were to be resumed, when required, by resolution of both Houses of Parliament; and, therefore, there was no breach of faith whatever in the bringing forward of the resolutions, when it was found necessary by the Government to resume land from those runs. Although many might differ, and say the resumption was not necessary, the Government thought it was necessary; and when they found it necessary, and when Parliament consented to the resolutions which the Government had brought forward, as one House had, already, there was no breach of faith;—the bringing forward of the resolutions was, in fact, a strict compliance with the agreement between the Crown and the pastoral tenants who held the runs. No one could deny the fact that it was competent for the Government to bring forward the resolutions, and that was a proof that the Government were acting in good faith. Although many might feel it hard that a portion of their runs should be entered upon, after one-half being previously resumed, yet there was a certain protection accorded to the lessees by the limitation of the areas to be resumed. No honorable gentleman could deny that the greater portion of the land in East Morton, West Moreton, and Darling Downs, that was of any use, was already taken up. The fact was so patent, that a gentleman could now travel amongst a settled and industrious population, where, a few years ago, there was only bush. That was the altered state of things to be found in many parts of the country which had been brought about within a few years. The only question that could arise in the House, was, whether the land proposed to be resumed from the runs was required or not. If all the resumed land was taken up, certainly other land must be required. If only persons were allowed to go upon the land who could take up a small portion, as much had been done for the squatter as could be done. The circumstance, that the squatter had his run for only a few years before it was wanted for settlement, proved the prosperity of the country; for, if the country had not been prosperous, and if the agricultural and mining interests had not increased largely, the demand for land would not have increased, and the price of fat stock also would not have risen, as was the case. He knew that the resumption would put many persons about. Still, he always said, from the commencement of his political career, that the squatter held his run only until the tide of population drove him onward; and that, if he did not mingle

with the population, his plan was to go away where squatting was a fact. And there was plenty of land now to be occupied by squatters. Indeed, he knew that many of those persons who were settled in East and West Moreton were making arrangements to drive their stock to other parts of the colony. It might be hard upon them; but they must give way to the population. If the squatters got a higher price for their stock—by fencing and other improved means of management—they would shortly, perhaps now, make more upon the small portions of country that they could secure than upon the whole that they had enjoyed heretofore. He mentioned this now merely for the benefit of honorable gentlemen who talked about spoliation and repudiation by the resolutions.

The Hon. J. F. McDougall: The resolutions were not before the House.

The POSTMASTER-GENERAL: The resolutions were brought forward in accordance with the intention of the Act of 1868, which was well known and calculated upon by those gentlemen who took their leases and gave up one-half of their runs.

The Hon. L. HOPE: All he contended for was that it ought to be shewn, before Parliament was asked to pass such a Bill as the one before the House, that a necessity did exist for the resumption of the land. He did not think that had been done. The measure was sweepingly applied alike to runs of 100,000 acres—the same to runs of 100 square miles and to those of 50 square miles—as to runs of 10,000 acres. However, as the feeling of the House was to give the Bill fair consideration, he should withdraw his amendment.

Amendment, by leave, withdrawn.

The Hon. J. F. McDougall said, in making a few remarks upon the Bill under consideration, he should endeavor to confine himself to what he believed to be the legitimate objects of the Bill. At present, he held that the House had no resolutions before them. The original object of the Bill seemed to him to be to provide areas of land for a certain purpose. That purpose was to settle an agricultural population upon the lands. Well, so far as that went, he might say that he perfectly agreed with it. But the Bill went a great deal further than that. The lands were to be taken up in defined areas, under certain conditions, according to the homestead clauses of the Land Act of 1868, and under the Immigration Act of 1869 by virtue of land orders. He found that the Bill allowed 640 acres as the maximum quantity of land to be taken up in the areas to be set apart in virtue of its provisions; and that, he contended, was an undue quantity to be set apart for any man who intended to follow agricultural pursuits. To allow such a quantity to be taken up by one man would simply have the effect of taking the land from one class of holders, to give it to another class of smaller pastoral holders. He could not see the justice of that—to say nothing further; nor could he see

the policy or the wisdom of it. Honorable gentlemen might laugh; but he durst say that he was prepared to stand by what he advanced. He could not see the force of taking the lands from the present tenants of the Crown, who had held them for pastoral purposes on a large scale, to give them to smaller parties for the same purpose. That being the case, he said the Bill was simply a swindle—a fraud; it would not effect what it professed to provide for—namely, the settlement of the population on the lands of the colony. If 640 acres was to be taken up, the land resumed from each run under the resolutions which were to be brought before the House would only be enough for eight or ten men to settle upon. Instead of eight, there ought, he contended, to be sixteen or thirty-two settlers on each resumption. That was his idea of settling population on the land; not simply taking it from one holder and giving it to another and smaller, who would follow the same pursuit as the larger and present holder under the Crown, but on a more limited and less profitable scale. Certainly, the small man would find to his cost that pastoral pursuits could only be profitably carried out on a large scale. He (Mr. McDougall) was always an advocate for the settlement of an industrious and respectable class of agriculturists. He had had some experience in the pursuit of agriculture; and he was perfectly certain that where a man was confined to a reasonable—he would not say, to a too limited—area, his great effort would be to make that as productive as possible. If, on the contrary, a man was allowed to take up a large area, the effect would be that he would turn his attention to another pursuit altogether, utterly regardless of what ought to be his object—but which was the object of the Bill—and he would endeavor to keep as many stock on that land as it was possible it could carry, unassisted by the plough, and unaided by artificial grasses. Yet, those latter processes and developments of industry were what ought to be encouraged in the colony. The Council should not encourage a class of men to settle on the land who would be in a state of starvation, and their stock also. Now, he (Mr. McDougall) would say a word or two with reference to the right, which was given under the Act of 1868, of resumption of land from runs. When that Act was passed, it was a clear and distinct understanding that no land should be resumed after the pastoral tenants of the Crown had agreed to surrender one-half of their runs. The condition of that surrender of one-half was, that they should get a ten years lease of the other half, and that no land should be resumed from the other half during the term of the lease, without a resolution of both Houses of Parliament; and, further, it was most distinctly understood that those resolutions should never be brought before Parliament until that necessity arose for them. He asked honorable gentlemen, if

that necessity had arisen? Had the honorable gentleman who was in charge of the Bill shewn the Council any reason why the resolutions should be brought forward? Had he told the House that there was a crying demand for the lands? He had certainly told the House that in East and West Moreton, there were certainly not a great many thousands of acres available. But he (Mr. McDougall) could point out to the honorable gentleman, that by the return which had been laid on the table, on the motion of the Honorable Mr. Fitz, and which shewed all the lands that had been resumed, and all the lands that were available on Darling Downs, there were, at the time the return was made, no less than 190,000 acres open to selection in the Warwick district alone. Yet the House were told that there was a necessity for the further resumption of 278½ square miles, equal to 176,240 acres. He (Mr. McDougall) denied that any such demand existed. He denied altogether the Postmaster-General's premises, when it was said by him that the mineral discoveries had had the immediate effect of creating a demand for land. He said the fact was quite the reverse. He would not say what the ultimate effect would be; but he said that the present effect was, that men's minds were completely diverted from any such idea as that of taking up land, either for pastoral or agricultural purposes; their minds were too full of the mineral discoveries for any such thing; and the demand for land was never less in the colony than it was at the present moment. He was perfectly certain of the accuracy of what he said, and he had not the slightest hesitation in stating it. He went against the Bill for another reason. If it was to place a certain class of persons on the land, he observed that it was in no way imperative; it left the action entirely in the hands of the Government as to where the areas should be proclaimed for the occupation of those persons in whose interest it was said to have been framed. It might be that the Government of the day, after the resumptions had taken place, would proclaim the lands as eligible for homestead areas only, or to be taken up under the Immigration Act, to which he before referred. If the Bill should be read the second time and get into committee, he thought the House should have a distinct understanding with the honorable gentleman representing the Government, that he would not oppose the defining of that point—that it should be distinctly settled that any land resumed should be set apart for the purposes for which the Bill was professedly brought in. He reserved to himself the right, should the Bill go into committee, to move amendments. The amendment that he most particularly desired to make, and for which he would exert all the influence he could bring to bear, was to reduce the maximum area of a selection from 640 to 320 acres; because he felt perfectly certain that the effect

upon the country of such large holdings as were proposed in the Bill, would not be that which those who supported the Bill sought to bring about. On the contrary, so far from settling population on the land, the Bill, if it passed in its present shape, would prove "a mockery, a delusion, and a snare." He did not think that he should say anything about the fairness or the unfairness of the manner in which the resumptions were proposed to be made—in fact, he considered that it was scarcely right to discuss the subject of the resolutions at all, now; but, as honorable members who preceded him had gone into it, perhaps he should not be considered out of order in doing so, too. It struck him as somewhat extraordinary that all the runs should have been dealt with alike—whether they had any land available for selection or not. Those runs which were in the proximity of towns or centres of population had not, perhaps, any land left of the resumed halves; but on others which happened to be situated in out-of-the-way places, there were large portions still available on the resumed halves. Therefore, it struck him as hardly fair that those pastoral tenants on whose runs there were still large quantities of land open to the public should be dealt with in the same way as those on whose runs there was no land for selection. Perhaps, the question was a difficult and delicate one for Ministers to decide. Perhaps they did not like to make invidious distinctions. He should say nothing more about that. No doubt, the position in which the Minister for Lands found himself was a difficult one for any Minister to be placed in; and perhaps all the runs were dealt with alike with a view to prevent the appearance in him of making distinctions of that kind. He (Mr. McDougall) wished to point out to the House that the Bill proposed to deal with all the lands in the colony not at present held under lease. Now, if they turned to the Crown Lands Alienation Act of 1868, they would find that, under clauses fifteen and sixteen, the power was already given of dealing with all lands that were not held under lease; but that Act did not give power to the Government to set apart agricultural areas, or, as they were termed, "homestead" areas; and, therefore, it might be considered necessary that the Bill should be passed to give that power. He did not think that, if resumptions of land for runs were made for a special purpose, any discretionary power should be left with the Government. If the House were to legislate for what was called "the poor man," or for agriculturists, let them do so; but let them do so definitely, so that what they were doing should be a settled thing. If certain areas were to be set apart for agriculturists, let them be so set apart: and let there be no discretion to interfere with the resumptions one way or the other. He did not think he had anything further to say. He should reserve his opinion as to how

he should vote on the motion for the second reading of the Bill, until a later hour of the day. He had no doubt that honorable gentlemen who were to follow him in the debate, would throw very considerable light upon the subject; and he was quite prepared to hear opinions both in favor of and against the Bill.

The Hon. J. TAYLOR: He could scarcely allow the Bill to pass without saying a few words upon it. He durst say that he should be charged right and left with being interested in the matter, as he had been often before; but he cared not for that. He should like to say a few words to enlighten the new members of the House, who knew very little about the question. They had been told that the country required the resumptions, that the people wanted the land. They had heard nothing else about it. There was no cry for land; there had been no public meetings; no petitions had been presented to Parliament; there had been no agitation or demand for the Government to take the land away from the pastoral lessees. Yet, as far as one House were concerned, the measure was passed. He regarded it as got up by men who were jealous of seeing other men better off than themselves, and who had not a hold of the property that they wished to see taken from others. However, he should just go into the matter in a common-sense way:—In the year 1868, the Crown Lands Alienation Act was passed, which took away half of their runs from the pastoral tenants, leaving them half, which was to be paid for by the lessees at the same rate as they had before paid for the whole of their runs. That, he thought, at the start, was gross injustice, which his honorable friend, Mr. Fitz, who was then in the Upper House, fought very hard against. The squatters, imagining that they were to hold their halves of their runs for ten years, under lease, yielded to the demand to pay the whole rent for the half of the land. They saw that they were powerless—they were crushed by their landlord—and they yielded! He considered that Irish tyranny was nothing to what the squatters suffered in this colony. It had been stated that the land was at the present time very much required. He would venture to make a very large bet—if he could do so, in the Council?—that, if a calculation was made, and if there were only persons who could do it, it would be found that the land which was deserted and thrown out of cultivation, from the first of January to the thirty-first of December, 1872, was a considerably larger quantity than the area taken up during the year. The Council had heard about the tin mines, and the copper mines, and the gold mines; they had heard of the rush to Warwick—which he was very happy to find that some honorable members were in;—they had heard of all those things, and what was the consequence of them? The consequence was seen in this, simply—that, upon the slightest agitation in the world, men left their farms and went

away from the cultivation of the land. He was told this by every person he met. "How are the farmers around here?" "They are all leaving." In every instance where the inquiry was made, the answer was the same—"They are leaving as fast as they can for the tin mines." Yet the House were asked to take away a quarter of a million more acres of land from the Crown lessees. After the discovery of the tin mines, and in the face of the rush from the farms, and also after Mr. Coxen's report, he looked upon the Bill as a measure that could very well stand over for another session. No doubt the Bill was in the programme of the Premier, who no doubt was a great man to carry out his word. Having promised it, the consequence was that he was bound to bring it forward; and he had kept his word with a vengeance. He (Mr. Taylor) had been looking over the little maps on the table, and they shewed a frightful state of things. He defied anyone to prove that there was any call or demand for the land, which was taken away indiscriminately from the pastoral occupants. Mr. Coxen was admitted to be the best officer of the Government for dealing with such matters, and it was taken away contrary to even his opinion and advice. It was taken away, no one could tell why, unless it was to please—perhaps, he had better not say! He had not heard a single argument from the representative of the Government in favor of the Bill. He had thought, first of all, that the noble leader of the House was not in the same position as others; but the honorable gentleman had drawn his attention to the schedule, and he was in the same mess as other squatters. He went with the Honorable Captain Hope in this matter, and he went sincerely and heartily with him. It was a shame, he thought, that a small run, which the resumption of eight square miles would crush, should be treated in exactly the same way as a large run like Jimbour; it was a shame and a scandal that a man holding 20,000 or 30,000 acres, should have 5,000 acres taken away, when there were men who held their hundreds of thousands of acres, who were only treated in the same way. He had been told that if the Bill should pass, as no doubt it would—though he hoped the House would amend it a little—several small, industrious, and hard-working men on Logan and other places in the country would be ruined. They would be ruined simply because the very "eyes of the country" would be picked out of their runs, and the rest would be too small and not of any value to work. He thought that such were extremely hard cases. In the first place, half of the runs was taken, and the holders were made pay full rent as for the whole; then the Government came quietly down and said they would take 5,000 acres more from each run, in the way now proposed. Perhaps the Government would, next year, finding the squatters so easy and pliable, and without redress, come down and take some more of

their runs. He durst say he should catch it, for the speech he was now making! It was known that the squatters were small persons. Let them go into the poor-house, at once! There was no use in their kicking against the pricks. The Government deliberately asked them to give up 5,000 acres more of their runs, in addition to what had been already taken from them. And, then, what did the Government propose to do with the balance? Only to allow them a reduction of rent, *pro rata*, for what was taken away from the runs! The Council had heard about "picking the eyes out of the country." The Government shewed by the maps which were on the table that they had picked the eyes out of the country. They had actually taken away the water;—not a sup of water was left to the Crown tenants! They had resumed the water as well as the land. They had adopted a plan which he had thought they never would have adopted. When they had taken all the water supply, what was the use of the other land? None, unless the holder went to the expense of making reservoirs and dams, which was a very expensive process. If the Government took the most valuable part of a run, let them assess the remainder to the lessee, and let him hold it at its value. The runs must be assessed at what they were worth, because the Government had taken away the cream of the country and thrown it open to the public. Unless that was done, the act of the Government was spoliation. The leader of the House and representative of the Government had made his speech in a mild and melancholy tone—he hoped and trusted that the Council would deal with the Bill fairly and honestly. What did the honorable gentleman mean? Had the tenants of the Crown been fairly and honestly dealt with? Were they fairly and honestly dealt with by the proposition now made? He (Mr. Taylor) rather thought not, when the eyes of the country were picked out in the way that was proposed—when all the water and the valuable lands were resumed from the runs. He was very much amused with the appeal which the Postmaster-General had made to the House. The honorable gentleman was a high and mighty man, to-day. Every member of the Council in the colony was present, to-day; and the honorable gentleman knew that he had power—and he talked in a mild and sympathising tone. He appealed to the feelings of honorable members; he trusted that the House would deal fairly and honestly with the Bill. Upon his (Mr. Taylor's) word! it was enough almost to make one laugh, or believe that the honorable gentleman was in earnest. It had been said that the Bill was for the agriculturists. The honorable Mr. McDougall had stated fairly about the agriculturists; and he (Mr. Taylor) need not say much about them. The Bill was not fair to the agriculturists. It was utterly impossible for the agriculturist to farm most of the lands embraced in the question now at issue.

He was an agriculturist. He had been brought up a farmer; and he was now trying to farm as large a farm as any in the colony, and as fine a piece of land as any on the top of the Main Range; and he knew that the principal part of the land included in the resolutions was not fit for agriculture.

The Hon. H. B. FITZ: Hear, hear.

The Hon. J. TAYLOR: He knew what it was to carry on agriculture. He knew what farming was, and he knew what the land was. The Parliament might legislate for giving farms to agriculturists, but there was one thing they could not do—they could not legislate for seasons. He knew how the land would be used, and he knew that it was impossible to use it in the way proposed by the promoters of the Bill. There was the report of Mr. Coxen, a man in whom the Government had full faith, a man supposed to be the most honest commissioner the Government had between the people and the Crown lessees. Let honorable members take it up and read it, as he had read it. He confessed that he was never more surprised in his life than by that report. The land that it was proposed to resume was equal to any land in the world; but farmers could not cultivate it—because they could not get rain—because they could not control the seasons. What was to be done with it? Nothing more than to make use of it for sheep-farming, the same use that it was put to now. He opposed the Bill and the resumption of the lands for another reason, and for a valid one. Only four and a-half years had passed of the leases which had been granted to the squatters, since their runs were halved. Let the leases remain intact until the ten years had run out. No squatter in the colony would then have any claim for even the price of the pencil that he held in his hand. Then the runs could be done away with, without a word of repudiation; and then there could be no charge of indifference or injury to the first producing interest of the colony. Let the leases run out. At the end of the ten years, the lands would be worth double what they were worth now. He submitted that consideration to his revered and honorable friend, Mr. Gibbon. Those lands, if resumed, now, would be swamped in the same way as the other millions of acres had gone. That was his reason for opposing the resumptions; and it was always his reason against the interference with the leases. Let the leases run out. The fact was, that the squatters had a right to the use of those lands for ten years. At the expiration of that time, they would be worth double what they were valued at now. It was like killing the goose with the golden eggs for the Government to take those lands away now; and he thought it was unjust to the leaseholders, in every sense of the word, to resume them. There was no occasion, as he said before, for their resumption, in the absence of any popular agitation or necessity on the part of the

people for land; there was no demand for land, except, perhaps, from about half-a-dozen men in the country. It rested with the Council to do—

The Hon. J. F. McDougall: Justice.

The Hon. J. Taylor: To do—as they liked! There was another reason against the question. If the lands were resumed, the revenue would suffer very considerably, and a large slice would be taken off the quarter of a million sterling which came in under the Act of 1868 from the squatters; and it would not be made up by the sixpences and shillings from the land which would be selected in the areas for agriculture. The receipts from the selections went into the general revenue; and he always looked upon that way of dealing with the land revenue as serious, because it was part of the actual capital of the country that was absorbed. He was not sure whether his honorable friend, Captain Hope, would press the question to a division. He was not sure, if it went to the vote, that he should not go with him.

The Hon. W. Hobbs: The amendment was withdrawn.

The Hon. J. Taylor: He did trust that honorable members would take a considerable amount of trouble when the Bill went into committee, to do some justice to the lessees, and not to give away all the country for a mere song. Homestead areas sounded very well, now; but the House must bear in mind that the country got nothing for them. Of course, as the resumptions were the very cream of the runs, they must take care that too much was not given away. As for a farmer going upon 640 acres, it was a farce. He must have a large capital to go upon a farm of that size—for fencing, for clearing off, and all that sort of thing, unless he meant merely to scratch a little bit in a corner and sit down upon it. He had watched agriculture in the colony very closely; and he went through West Moreton very frequently; and he had no hesitation in saying that in a very few years the land now under cultivation would produce nothing. He never saw such farming in any other part of the world where he had been. It might do, while cotton fetched a large price; but the system of culture was very bad, and the land must soon wear out. There was no room to question that. He hoped that the leader of the Government in the Council would be reasonable when the Bill went into committee, and would not oppose fair and just amendments. If amendments were carried in the Council without much obstruction, he durst say the other House would listen to them: if not, why, of course, the Council must then do the best they could.

The Hon. H. G. Simpson said he was very glad that the amendment had been withdrawn; because he must say that he believed that the squatters, who were most concerned in the question, were not likely at any future time to get a measure more favorably drawn

for their interests than the Bill brought forward by the present Government. He did not altogether agree with the Bill; he thought it would bear improvement in two or three directions; but, at the same time, he should be very sorry to see it shelved, for that very reason which he had expressed. One great objection to the Bill had been touched upon by preceding speakers, and he quite concurred in it: and that was the irrational system that seemed to have been adopted of taking the same quantity of land from every run, no matter what the size of the run or where situated. But he did not, after all, think that the effect would be very serious; because it seemed to him that in the case of runs which were not so situated as that the land would be required for the purpose of settlement or agriculture, it would not be taken up—it would simply remain to the lessee, who would have the power of grazing over it without paying for it. Those runs which were situated where the land was required—and he was confident that it was required—would have their quota soon taken up, and very quickly too; and, perhaps the pastoral tenants would be called upon again, before long, to give up more of their runs. But those squatters on whose runs the resumed land should not have been taken up, could not be called upon again, while any remained, to give up their runs. Therefore, though the system of resumption was illogical, he did not see that persons whose land would not be required immediately for selection were likely to be affected practically. There was another question upon which the Honorable Mr. McDougall and the Honorable Mr. Taylor had dwelt considerably. They seemed to take it for granted that a man who would settle on a farm would carry out merely agriculture, or plough-farming. Now, he took it that the intention of making the areas named in the Bill was, that a man should combine, as in every other country but Australia, agriculture and stock-farming. He was not quite sure, although his view was opposed to the opinions of the honorable gentlemen who had preceded him, that it was best that a man with small means should have a less quantity of land than 640 acres. Certainly a very much greater quantity than was needed for the plough would be required in the combined system of cultivation and stock-feeding. But whether the area should be 640 acres or a smaller area, honorable gentlemen could discuss in committee. He was not tied down to any area. There was another point which had been raised by the Honorable Mr. Taylor, who had said that some men had left their farms to go to the diggings. That would not affect the land. As he read the Bill, it was intended to provide land for new arrivals in the country. Although those men who had been referred to had left their farms, their lands were not open to new arrivals. The want of farms for those persons who might come to the colony, was just as great as if those men had remained on their

farms instead of going temporarily into another pursuit. Their having gone was not an argument against the Bill. It was merely nothing so far as new arrivals were concerned. He had heard over and over again that new arrivals found great difficulty in investing their land orders in land. With regard to the portions of land proposed to be resumed being the best part of the respective runs, of course, if it was intended that the land should be reserved for agricultural purposes, it must be tolerably good land; and it would be a very fair proviso, that, when the amount of rent to be deducted from the payment by the pastoral lessee, came to be considered, it should be calculated according to the value of his land, and not to the mere area. He (Mr. Simpson) thought that on those two or three points which he had specified, alterations might be made in the Bill. But it would be very unwise on the part of those who were interested to throw out the Bill, or to alter it so much as to render it unacceptable elsewhere.

The Hon. J. TAYLOR: Hear, hear.

The Hon. H. G. SIMPSON: He had heard complaints that some runs had been unfairly treated in proportion to their extent. Well, it was open in committee, if proof of that should be brought before honorable members—if some special, or particularly hard case should be made known—to alter the areas proposed to be resumed. It was competent for the House to make such an amendment. If well looked to in committee, the Bill was likely to turn out as favorable a measure as was likely to be passed for all interested.

The Hon. H. B. FITZ said he had been anxious to hear the opinions of honorable members who were squatters, with reference to the Bill, before he offered his own opinion upon it. Because he had been so frequently twitted with having changed his opinions on the land question, he should now express the views he always held with reference to agriculture. He thought the Bill had been introduced somewhat irregularly; because, as honorable members were aware, the tenth clause of the Crown Lands Alienation Act of 1868, set forth that no lands within the leased portion of the runs should be resumed unless by resolution of both Houses of Parliament. Well, he held that before any Bill of the nature of the one before the Council should have been brought in, it was the duty of the Government to shew the reasons, as preceding speakers had remarked, and the necessity for the resumption of the lands. A return which he had moved for, and which was laid on the table last session, had been alluded to by the Honorable Mr. McDougall. His object in moving for that return was, that, having been told privately by a person of good authority that the Government intended to send Mr. Coxen to look over the runs with a view to the resumption of land for agriculture, he was desirous of seeing what land was then available. From his long residence of twenty-five years in the Darling Downs District, he

knew almost every run there; and he had thought the return would be a very advisable one to get before such action was taken by the Government. The return shewed what land had been selected, and what was open for selection. He knew very well, at the time, where the land had been selected, and where there were areas open for selection. The Council were aware that the Bill was a basis for the resolutions under which the lands were to be legally resumed. The return, as he had remarked, shewed where the land had been taken up by the public; and, of course, unless the old system of dummyming, to which allusion had been so often made, had not been resorted to, perhaps so much would not have been selected. On Rosalie Plains, at the present time, there were 72,274 acres open for selection. As preceding speakers had remarked, why should the Government go upon a run like that and resume 6,000 more acres, when so much was left from a previous resumption open to the public? It was all very well, as the Honorable Captain Simpson had said, that if the resumed land was not taken up the lessee of the run had the right of grazing over that land without charge. The difficulty was, that bankers and merchants would not make advances to the lessee of the run. The mortgagee had so many acres as security, and if the Government resumed any part of those acres, even although it might not injure the squatter, yet it depreciated the security he had to offer, and it created a want of confidence on the part of the money lender; he did not feel safe that the Government would not make another resumption, and he never felt safe. The Government were not satisfied with the large quantity of resumed land which was still open; they proposed to resume more. To give a ten years lease, and to resume land under such circumstances, was repudiation. On other runs named in the return, Goombungee, the Toowoomba Agricultural Reserve, Gowrie, there must be an immense quantity of land not yet taken up. There was not much of Westbrook to take up. On Eton Vale, the whole, with a small exception, was taken up, which clearly shewed that people had settled in that portion of the district. Then on the Honorable Mr. Taylor's run, Cecil Plains, he found that it was all gone. He (Mr. Fitz) did not know whether that honorable member had been dummyming.

The Hon. J. TAYLOR: Oh! no.

The Hon. H. B. FITZ: He did not think the honorable member had; though rumor said he had. But it was very evident that there was no land open for selection on Cecil Plains. If the Government went on to that run and took 5,000 acres, he (Mr. Fitz) did not think the honorable gentleman ought to complain. But where there was plenty of land, he thought the Government ought not to take more. The Bill proposed to provide lands—the lands that were to be resumed—in fixed areas for homesteads and immigrants' selec-

tions, to ensure the distribution of an agricultural population over the country. There were few persons in either House of Parliament who had more experience in the matter than himself, and he knew that for agriculture a large area of 640 acres was perfectly unnecessary. If Parliament was going to create a class of small sheep farmers, it was absurd to think that a man could manage sheep-farming on 640 acres of land. If that was what the Bill was meant for, let there be larger resumptions, and make the maximum area something like 3,000 or 4,000 acres. Then it might be of some use, and a certain class of people might be put on the land to make profitable use of it. But that, no doubt, would be taking from one squatter to give to another; and, as regarded the present pastoral tenants, it would be an act of repudiation. He knew that it would be perfectly futile to attempt agriculture on some parts of the Downs. Yet, as he pointed out on former occasions, there was land on the slopes of the Range that was equal to any in the world for agriculture. But, if men were sent away west, to cultivate the land, it was but a trap for them; and the Government that should send them, or induce them to go, would be guilty of deluding them to their ruin. It appeared to him that the Government had sent Mr. Coxen to make his selections from the runs, under instructions that one squatter must not be able to complain more than another when the resumptions were proposed. But it was the duty of the House to be satisfied on that head, and to prevent injustice. He was sorry that Captain Hope had withdrawn his amendment. He thought the House should reject the Bill, and then discuss the resolutions on their merits. If the Bill should get into committee, and provision was to be made for the distribution of agriculturists over the country, he thought that 320 acres would be quite sufficient for the maximum area; or else, let them make the maximum area 4,000 acres, so that those persons who went upon the land should be able to follow a remunerative occupation; for a maximum area of 640 acres would not create that class which so many, and he amongst them, desired to see established. There were, he knew, some persons doing very well upon 3,000 or 4,000 acres of land; they combined sheep farming with agriculture.

The POSTMASTER-GENERAL rose, and said that, with the leave of the House, he should like to answer some questions that had been put to him in the course of the debate. The Honorable Mr. Fitz had said the Bill came before the House somewhat irregularly. That, he (the Postmaster-General) denied altogether; because the resolutions had been brought in before the Bill was introduced at all. If the resumptions were made without the Bill, then the smaller class of settlers whose establishment in the colony it was intended to promote would be kept away altogether. He would answer the Honorable

Captain Simpson and the other honorable gentlemen who had maintained that there was ample land, 190,000 acres, open for selection.

The Hon. H. G. SIMPSON: He had made no reference to it.

The Hon. J. F. McDougall: I did.

The POSTMASTER-GENERAL: He allowed that 190,000 acres of land were open for selection; but, at the same time, as far as he knew, there were not 1,000 acres of it fit for agriculture.

The Hon. H. B. FITZ: The honorable gentleman would find that in one district alone there were 488,000 acres open for selection.

The POSTMASTER-GENERAL: He was referring to Darling Downs alone.

The Hon. H. B. FITZ: That was all on Darling Downs.

The POSTMASTER-GENERAL: Out of all that was said to be open for selection, and which was said to be very good land, he believed that not 1,000 acres were fit for cultivation. Therefore, other land must be provided. Certain gentlemen might not be satisfied with the proposed resumptions; but they knew that on the whole it was better for themselves than it might have been. He thought he would have sufficiently answered the questions, when he said that he should do all he could to pass the Bill as it stood; but, of course, it was for honorable gentlemen, in committee, to make what amendments they could upon it, if the House would accept them.

The PRESIDENT said he had not intended to speak upon this measure, this evening, and he should not have risen but for some remarks which just fell from the Postmaster-General. The honorable gentleman had, he understood, taken exception to the power which the pastoral tenants on Darling Downs had exercised for themselves in purchasing such lands on their runs as they thought useful for their purposes.

The POSTMASTER-GENERAL: He hardly liked to interrupt the honorable gentleman, but he was not aware that he had taken any such exception: he had simply stated the fact.

The PRESIDENT: That the land had been taken up? Well, he took the honorable gentleman's statement in that way—that because the pastoral tenants had taken up the land, it was a reason why they should not object to the passing of the present Bill, which was to take from them the power of purchasing any further portion of their runs. Now, he held that they had a perfect right, for their own interest—and he held that it was for the public interest, also—to purchase that land. The public were sellers of that land—they had it to dispose of, and they were anxious for purchasers—and had they not found purchasers, the public revenue would have suffered, and the great interests of the colony would have suffered seriously. Those gentlemen, the pastoral tenants of the

Crown, did purchase; and, he contended, they purchased at the time at very great risk to themselves; they purchased large portions of the public lands; and they now held them with some satisfaction. Looking at the legislation of the present Parliament, he was not quite sure that the simple tenure on which they had first held their lands was not much safer than that on which they now held them. One could not see what the tendency of legislation would be, or where it would lead. He believed that no tenure under the Crown could be looked upon as secure, now. Nobody could say what change might not come over the spirit of the Legislature: nor could it be foreseen what land the representatives of the people might not say was required for public purposes, and must be resumed at their will. He did not see why they should not as easily resume land sold in fee under a solemn instrument from the Crown, bearing the signature of the Governor, as they resumed lands conveyed under a similarly solemn document purporting to be a lease. He always understood, under the law of England, that a lease between landlord and tenant gave a security of tenure to the latter from the former. But it was plain, from what had arisen, that the Crown leases were so manipulated that they did not carry a secure tenure. It had been his intention, and he was sorry that he did not carry it out, to call for a copy of the leases given to Crown tenants to be laid on the table of the House. Indeed, he thought that before the Council discussed the question, that document should be laid before them.

HONORABLE MEMBERS: Hear, hear.

The PRESIDENT: He could not understand that, under the law of England, a coach-and-six could be driven through a Crown lease—as had been said of an Act of Parliament;—but the Council were now discussing a Bill, which, so far as the first ten clauses were concerned—those relating to homestead areas—was a very harmless measure of legislation. There could be no difficulty in allowing the Government to deal with land which was not leased in any way they proposed; but when they came to interfere with vested interests, it was necessary, he thought, for Parliament to exercise its supervision and to see that justice was done to those who claimed under titles given from the Legislature. When the Act of 1868 was framed it was regarded as a great safeguard, that no resumption of land should be made from any run unless by a resolution of both Houses of Parliament. Now, what did a resolution of both Houses of Parliament mean? It meant that, when both Houses of Parliament were asked to consider a matter like that, affecting the interest of any individual, a solemn inquiry should be made into the necessity for such resumption. As he understood the object of the resolutions that had been brought before the Council, they

were asked to resume a large portion of country, which resumption would affect the interests of many individuals—perhaps affect them differently, as some men might be ruined while others would be hardly injured;—and that being so, the matter ought to be submitted to strict inquiry, conducted according to the formal practice of Parliament. If the action of Parliament was for the good of the country, honorable gentlemen ought to have the interests of the colony in view when dealing with such an important matter as was now before them; and they should pass no such resolutions without strict and full inquiry.

HONORABLE MEMBERS: Hear, hear.

The PRESIDENT: He said that every one of the resolutions should be spoken to and consulted upon in respect of its own merits; and that the Under Secretary for Lands, or the officer who first brought the matter under the consideration of the Executive, should be called to the bar of the House to give his particular reasons why each portion of land should be resumed.

HONORABLE MEMBERS: Hear, hear.

The PRESIDENT: He trusted that the House would consider, when the resolutions were brought forward for discussion—because, after all, they were the important portion of the measure which was the subject of the present debate—that they had a right to have before them a good and sufficient reason for adopting each one of them. He thought that they ought not to be taken *in globo*; but that each resolution should be taken separately; and that, before adopting any, the House should be satisfied, not only that no injury would be done to the individual concerned, but that some good would be done to the country, by the resumption proposed;—and he hoped that they would remember that the public faith had been pledged to the individual for a certain term of years. There was no doubt that when the Land Act of 1868 was passed, there was an understanding that, in consideration of the relinquishment of one-half of their runs by the squatters, they would secure ten years leases, except under very exceptional circumstances, of the remainder. The faith of the Parliament and the country was, he thought, pledged to that measure of justice; and he hoped that when the resolutions were brought forward, the Council would not fail to shew that in their House, at any rate, the good faith of the country was a matter that influenced their decision.

Question put and passed.

The POSTMASTER-GENERAL moved—

That the Bill be taken into consideration in committee to-morrow.

The Hon. H. B. FITZ urged the postponement of the committal of the Bill, as he thought the measure had come before the House somewhat irregularly, and as the resolutions ought to be discussed first. He

suggested that the resolutions should be discussed to-morrow, and the Bill be put off until some day next week.

The POSTMASTER-GENERAL said he had no objection to take the resolutions before the Bill to-morrow.

The Hon. L. HOPE observed that, if the Bill was to be taken into consideration to-morrow, the House should have information that there was a demand for land. It had not been shewn that there was such a demand. The whole question hinged upon that. If it could not be shewn that the land was required, there was an end. There was no time between this and to-morrow to supply the House with the information that was requisite.

The Hon. W. HOBBS suggested to the Postmaster-General that he should request the Lands Commissioner, Mr. Coxen, to appear at the bar of the House; and that officer would give all the information required. From conversations he had had with him, he had learned that there was a great demand for land; and the constant inquiry was—"When are those lands to be thrown open?"

The POSTMASTER-GENERAL: By following the usual course, the committal of the Bill would stand on the business paper after the resolutions. The Bill hinged upon the resolutions. The House could consider the resolutions one by one, or *in globo*, as they chose. If there was any necessity for it, and if the House wished that Mr. Coxen should appear at the bar of the House, he was sure he (the Postmaster-General) had no objection to his giving any information the House required.

The Hon. J. TAYLOR: The Bill did not apply solely to the resolutions; it applied to land other than that to be resumed.

The Hon. H. B. FITZ: It applied to all land. It was supposed that there was no land open to selection fit for agriculture. If the lands were not resumed under the resolutions, there was no necessity for the Bill.

The PRESIDENT: The Bill would come on after the disposal of the resolutions. If the resolutions should not be agreed to, the Bill would not, he presumed, be required?

Question put and passed.

TREASURY BILLS BILL.

The POSTMASTER-GENERAL, in moving the second reading of a Bill to authorise the issue of Treasury Bills, said it was a very simple measure, to provide for the renewal of £100,000 of Treasury bills, due in May next, and to allow £100,000 of Treasury bills to be available whilst the negotiation was proceeding for the new loan in England. Both sums were to be met at the end of 1873, out of the new loan. The Bill was, in fact, to make provision meantime.

Question put and passed.

LOANS CONSOLIDATION BILL.

Upon the Order of the Day being read,

The POSTMASTER-GENERAL moved the House into committee for the consideration of the Loans Consolidation Bill.

The Hon. H. B. FITZ said he thought honorable members should pause before passing such an important Bill, so hurriedly, at the close of the session. He was sorry to see that some who had taken an interest in it were not now present. Yet it was the most important measure that was ever brought before the Council. It was not sufficiently explicit, and it did not define satisfactorily the authority of the Government. The House should not lose sight of the fact that it proposed to give the Government authority to deal with five millions sterling. The first loan included in the Bill, about £700,000, had only a few years to run. For the sake of argument, he would suppose that debentures representing £500,000 of that loan were lying at the present moment in the hands of Baring Brothers. The Colonial Treasurer was sent home to deal with such men, and to withdraw those 6 per cent. debentures, and to replace them by 4 per cents., issued under the Bill. Depend upon it, such men knew the value of the securities they held, as well as the Treasurer, or anyone else in this colony. If the 6 per cents. were to be bought up, of course the colony was not inclined to go into the operation at all, unless the debentures could be got at a profit. But there were two parties to a bargain; and it was not likely that Baring Brothers would sell at a loss. The Government were bound, when an important measure like the Bill was introduced at the end of the session, to give the House the fullest information. A great array of figures was placed before honorable gentlemen, which would almost puzzle a professor of mathematics. He did not understand them, though he had taken some trouble in the endeavor to do so; and he did not suppose that any honorable member understood them more than he did himself—unless it was the Honorable Mr. Heussler, who professed to be a great financier. He took this common-sense view of the subject:—If the 6 per cent. debentures were to be replaced by the new 4 per cents., it must be done at a loss, and the colony should not bear a loss. He thought it was unfair to the Council to throw upon them the responsibility of passing such an important Bill at the end of the session. If the Bill had been introduced at the commencement of the session, as it ought to have been, there would have been time for that attentive consideration of it which it deserved. Seven years since, a loan of £1,200,000 was put upon the market in England, and our debentures sold at an average of £90 10d. Some of them sold for £109; the others for less. Those debentures were now at a premium of £112. There was clearly a loss to the colony of 22 per cent. Because the colony was now better known than at that time, and Queensland securities were valuable. The mineral discoveries would be fortunately known, and Queensland securities would occupy an important position at home. He should not be surprised to see them stand as high as the

first in the world. There were persons who made finance their study, who looked forward to the securities of this colony being equal in the money market of the world to the Indian 4 per cents., although the latter had the Imperial guarantee. If the House had affirmed the principle that it was desirable to consolidate the loans, they should hesitate about passing such an important measure hurriedly. Let the Government withdraw the Bill for this session. The question having been mooted, perhaps honorable gentlemen would, meantime, give more attention to it than they had done or seemed inclined to do. He was quite sure that if they admitted it openly, they would say that they were not prepared to consider the Bill. Very little discussion had taken place upon it in the other House, and the remark had been made to him by honorable members of that House, that they had not had time to go into the Bill or into such an array of figures as had been placed before them. The House knew very well what could be done with figures. He knew a Scotch accountant in the city who would go into those which had been placed before the House and prove the very reverse of what was shewn on behalf of the Bill. He should move that the order of the day be discharged from the paper, and that the Bill be discharged; and if he stood alone, he should divide the House.

The Hon. H. G. SIMPSON said he could not agree with his honorable friend, Mr. Fitz. He thought that the Bill was calculated to improve the position of the colony very much, indeed. Yet he took exception to the very stringent manner in which the rate of interest was tied down to 4 per cent. With his honorable friend, who just sat down, he must say that he could not pretend to be a great financier; but he looked upon the Bill as the honorable gentleman did, from a common-sense point of view. Provided that the negotiation could be carried out according to the plan laid down, the colony would save something like £40,000 a-year in interest. The present debt was £3,662,986, which, at 6 per cent., gave an interest of £219,779; whereas interest at 4 per cent. would be £180,000 a-year. He confessed that he had doubts as to the operation being satisfactorily carried out, at the rate of 4 per cent.; and for that reason, he should be glad to see a proviso in the Bill permitting the officer of the Government, who might be entrusted with the negotiation of the loans in England, in the event of his not being able to convert the 6 per cents. into 4 per cents., to convert them into 5 per cents.; which he knew had answered well in other colonies—in New South Wales, Victoria, and New Zealand. The whole of the debt of New South Wales was, he thought, at 5 per cent., and that was always the rate. Victoria, of late years, had followed the example of New South Wales; and New Zealand had done the same. Of all their stocks, he would, for the sake of comparison, give the prefer-

ence to Victoria, which had 6 per cents. as well as 5 per cents. The Victorian 6 per cents. stood, by the latest home quotations, at 117 to 118; Queensland stocks, at the same time, being 114½ to 115½; shewing 2½ per cent. in favor of Victorian. Turning to the Victorian 5 per cents., he found that they stood at 107 to 108. Taking the 2½ per cent. away, being the difference of premium on the respective 6 per cents.; that would put Queensland 5 per cents., supposing them to be at the same proportion—

The Hon. H. B. FITZ: How were they to be got?

The Hon. H. G. SIMPSON: The rate would be 104½. New Zealand lately negotiated a 5 per cent. loan at 102 premium; and the credit of Queensland in England was, he ventured to say, decidedly better than that of New Zealand, if he judged, by comparison of our 6 per cents. with those of Victoria. Honorable members might be certain that our 5 per cents. would not be quitted at less than those of New Zealand. His honorable friend, Mr. Fitz, had asked, how they could get them? He (Mr. Simpson) commended to the honorable gentleman's notice the case of New Zealand, that had just got them. That was the great point of objection to the Bill—that it refused to allow, in the event, which he thought very likely, of the loan not being negotiated very well at 4 per cent., that any discretion should be exercised in the negotiation of it at 5 per cent. Although the advantage of the latter would not be equal to the former, yet it would be very great, as at 5 per cent. there was a saving of £20,000 a-year practicable. He would give a few reasons for not thinking 4 per cent. the best interest to be offered by this colony. He believed that a different class of persons altogether invested in the high-interest loans from those who invested in the low-interest securities, such as the English Funds and the guaranteed securities. It was known that for many years, at home, the guaranteed funds were the only investments which were acknowledged in Chancery—in the cases of wards in Chancery, in which investments of their property were made in public funds of the United Kingdom. The interest of those funds was 3½ per cent.; and of late years, the guaranteed 4 per cent. Indian loan had been put upon the same basis, and were admitted in Chancery as valuable investments. It would be found that the greater proportion of the 3½ per cents. in England were held by persons to whom the security was everything, and 1 per cent. more or less of interest was nothing; and that the persons who took up foreign securities were a different class altogether. And the converting of our loans suddenly from 6 per cent. to 4 per cent., would lead to a change altogether from one class of investors to another. If the conversion could be made, he, for one, should be glad; and he said it would be for the good of the country. He should be very much

inclined, in committee, to vote for an amendment which should put it within the power of the person charged with the operation to conduct his negotiations on a 5 per cent. basis, in the event of its being found that 4 per cent. was not practicable. At 5 per cent. the operation was practicable; but, as the Bill stood, there was a doubt that it would be practicable at 4 per cent., and he thought the provision of the first clause should be enlarged.

HONORABLE MEMBERS: No, no.

The Hon. J. TAYLOR: Outside the House, he had heard a great deal about the Bill. Yesterday, the second reading passed by surprise. But he suspected that it would meet with a different fate this afternoon. Six gentlemen would talk about the Bill, all of equal ability;—three of them would declare that £50,000 a-year would be saved to the colony by the conversion and consolidation of our loans; and the other three would declare that we should lose that amount by the operation. Honorable members who had spoken had said they were not financiers. Neither was he a financier. He did not suppose there was one in the colony, whom they would call a financier really. The House, he thought, had better leave well alone. He could not understand why the Bill was rushed forward in such a hurry, or why it was brought forward at the end of the session. He could see neither reason nor necessity for it, and he thought the House ought to pause before doing anything in the matter; and, therefore, he should support the amendment moved by the Honorable Mr. Fitz. The Honorable Captain Simpson would give power to raise the interest to 5 per cent. in case the operation could not be concluded at 4 per cent. Well, that power once given, would be just as well known in England, on the Stock Exchange of London, as in the colony; and he should like to know if the stock-brokers would not take notice of it, and take advantage of it? Depend upon it, there were cleverer men there than this colony could send home. It required something more than a gentleman who had been in this colony for the last twenty or thirty years to go home and compete with them. How was the Colonial Treasurer of Queensland going to get them to come in? By calling upon them, or by ringing a bell—"Come in with your 6 per cent. debentures; I will give you 4 per cents.!"

The Hon. H. G. SIMPSON: As the New Zealand man did.

The Hon. J. TAYLOR: How would he get those parties to bring in their debentures, and how long would it take the gentleman who was to be sent home to get them in? What course was he going to take? It might be no easy matter. He could tell him that he would find it a very difficult matter. There was not the slightest doubt whatever that the persons who were to be called upon to make the exchanges were not going to

make them for nothing. He knew very well that a gentleman who had £100,000 of 6 per cent. debentures, before he would be at the bother of the exchange, would take care that he should be paid for it. He should like to know where was the gentleman in the Council chamber who would give a pound note for one pound's worth of coppers! There was a great deal of trouble about the exchange, and with some of the debentures there would be a great deal of trouble; of that he felt quite satisfied. The holders of the 6 per cents. would not agree to exchange them for 4 per cents., without getting a greater number of those at the lower rate than those they held.

The Hon. J. C. HEUSSLER: Forty years to run.

The Hon. J. TAYLOR: He was aware that the 4 per cents. would have forty years to run; but he would as soon take, or keep, the 6 per cents. that had fifteen or twenty years to run, as have the 4 per cents. at forty years currency. Perhaps the honorable gentleman would make them interminable. There would be some sense in that. Then, the Honorable Captain Simpson was extremely alarmed that quite a different class of investors would hold the debentures. What need the colony care, so long as it got their money? What need to care if beggars or sweepers of the streets got the debentures?

The Hon. H. G. SIMPSON: The honorable gentleman misunderstood him. He had stated that the probability was, that a different class of investors would take up the new debentures from that in whose hands the present debentures were; and that, therefore, it might be a difficult matter to negotiate the conversion of the loan from 6 per cent. to 4 per cent.

The Hon. J. TAYLOR: He had not understood the honorable gentleman. He thought he was afraid to come down from the aristocracy to the sweeps. We were all such terribly respectable people! He did not care at all who held the debentures, so long as the colony got value for them. The House had not been told by the Government what the little transaction they proposed would cost, in the shape of commissions and exchange, which would be pretty considerable. The expenses would be pretty considerable, too, for the Queensland envoy, who was to go home with his suite;—because he must have two or three clerks, and so on, with him. There would be another little head of a department established at home. The House had heard nothing, yet, of that part of the business. It had been mooted that the 4 per cent. debentures would be sold at £90. The great objection to Queensland debentures in the market was, that they were at such a high premium. Debentures at a discount were much better liked, as they would rise in value. He had no hesitation in saying that if the debentures should be sold at £90, in five years they would be at par or at a premium. He might be contradicted by financial

men; but he had so much confidence that money would be plentiful in five years, that the savings and profits of industry and manufactures in England, and on the Continent of Europe, and in other places, from year to year, would be so great, and the capital accumulated so excessive, that it must find its way out, and that our 4 per cent. debentures, issued at £90, would be readily bought up at over £100. He did not think that was too much to predict for that time. He confessed that he felt bound to go with the Honorable Mr. Fitz. The Council were hasty in passing the second reading of the Bill yesterday. No doubt, so far as he could gather an opinion from the views of honorable gentlemen, they were in favor of an amendment in the Bill, which would, perhaps, make it undesirable for the Government to meddle with the consolidation at all, and to send home an officer to negotiate it. Perhaps, the most handsome manner for the House to act would be to discharge the Bill from the paper.

The Hon. J. GIBBON said he could not help thinking that there was a great deal of common sense in the remarks of the Honorable Mr. Taylor. It appeared to him perfectly self-evident that if one party to the exchange was to derive a great benefit from it, the other party must have a corresponding loss; and he imagined that the holders of the present debentures would not exchange without advantage to themselves, which would not be of advantage to the colony. It was manifestly to the benefit of the colony to defer the exchange for some years; because he quite believed that with the development of the mineral resources of the country, and the great increase of the wealth of the world, the rate of interest would be very much lower in four or five years than it was now, and that probably Queensland 4 per cent. debentures would then sell at 8 or 10 per cent. more than now; and the premium debentures, which were at present outstanding, would deteriorate as the time approached for paying them off. The latter would naturally fall in value, and the colony would be able to make an exchange on better terms by waiting some years than could possibly be the case now. Added to that, the present small population of the colony made it appear very plain that the indebtedness of Queensland was very much increased, in comparison with that of the other colonies, as set out in Mr. Westgarth's circulars. Queensland stood nearly at the top of the colonies for the magnitude of its debt, in proportion to its population; and, if the proposed operation should be carried out, it would add another £8 or £10 a-head to the indebtedness of the people, and that would tend very much to diminishing the credit of the colony. For all those reasons, he (Mr. Gibbon) thought it would be very advisable to defer the consideration of the question, and he was inclined to vote with the Honorable Mr. Fitz for discharging the Bill.

The POSTMASTER-GENERAL: What the Honorable Mr. Gibbon had just stated might be taken in this way: the 4 per cent. debentures would, in four or five years, be considerably above par. So would the 6 per cent. debentures rise in proportion.

The Hon. J. GIBBON: No; they would be greatly diminished.

The POSTMASTER-GENERAL: No; they would not expire in that time; and he said that the 6 per cent. debentures would rise in proportion; so that the honorable gentleman's argument was useless.

The Hon. J. GIBBON: They would be paid off at par. As the time approached, the premium would diminish.

The POSTMASTER-GENERAL: He could not see the argument of the honorable gentleman. The great advantage to the holders of the new debentures would be a security which every year would increase in value. He certainly thought that most honorable members would not wish to see the Bill shelved. The present time was certainly the best to raise a new loan; and the borrower should go on the market at a favorable time. He trusted that the House would allow the Bill to go into committee.

The Hon. J. C. HEUSSLER: Before the House came to a division, he desired to make a few remarks upon the Bill, not that he claimed, as his honorable friend, Mr. Fitz, had said, to be a great financier; but because, as a mercantile man, such matters as were involved in the Bill sometimes came before him, and he had some of the opportunities usual to such persons of considering them; and because he thought he could throw a little more light upon the question than had hitherto been vouchsafed by honorable members who had spoken. He should make a few practical remarks which, he trusted, would come home to all of them. He would be very glad to be corrected if he made any mistake; and he would not be ashamed to say that he was wrong if he should be wrong. With regard to what the Honorable Mr. Fitz had said, that the loan was a great mathematical problem, he could not quite agree with him, nor could he agree with the view which the honorable gentleman took of the Bill and of the trouble of the operation to be conducted under it. The question of profit was a very simple one, which all honorable members must understand when it was brought before them in a few figures. Those figures he should be able to furnish. With regard to what had fallen from the Honorable Captain Simpson, that the conversion was confined to too low a maximum of interest, and that the change from 6 to 5 per cent. would be better than from 6 to 4 per cent., he could not agree with him, at all. At the high rate of the colonial 5 per cent. debentures, at the present time, the conversion from 6 to 5 per cent. only would hardly leave any profit to the colony, and it would not be worth while to go into the operation; while, on the other

hand, the conversion of the interest on the public debt from 6 to 4 per cent. was equally practicable, and was the only one that would go down on any exchange in Europe, or, say, on the London money market, where he believed most of the new loan would be negotiated. The recommendation of Captain Simpson was undesirable, for the reason that 5 per cent. stock, as well as 6 per cent., was above par at the present time; and the great object which it was desirable to attain was to have a loan negotiated under par, which would be more profitable to the investors, as it promised more profit to them. No doubt, the remarks of his honorable friend, Mr. Taylor, were very practical, as to how the Government were to get at the outstanding debentures. Although his honorable friend, Mr. Gibbon, maintained that one party must lose where the other party gained, yet in this instance the honorable gentleman had fallen into an error indeed. All bargains ought to be profitable on both sides; and anything that was not profitable on both sides was not a good bargain. He should be able to shew that both parties would derive profit in the transaction of the consolidation of the Queensland loans. The thing was, to get at the holders of the outstanding debentures, to whom must be given a greater advantage actually than they possessed at the present time with their 6 per cent. interest. He was very glad to be able to shew that that could be done. For instance, in order to get in outstanding debentures for £1,000, which, being at a premium of £114, were, for exchange, as nearly as possible, worth £1,140, new debentures would have to be sold, which he thought would fetch £90 in the home market—perhaps a little better, perhaps a little worse—to the amount of £1,267. If it was considered that on the first £1,000, the country had to pay interest amounting to £60, it would be seen that £1,267 of the 4 per cent. debentures was required to cover that £1,000 of 6 per cent. debentures; and, leaving out fractions, that it would cost the country in reality 5 per cent. In short, the colony would actually pay 1 per cent. for effecting the new loan at 4 per cent.; in other words, the colony would pay 5 per cent. for the converted loans, and consequently would save about 1 per cent. per annum in interest now payable. He spoke with regard to costs for commission and so forth, when he said that that saving of 1 per cent. would be clear profit to the colony. The present interest payable was £220,000 a-year. That 1 per cent. saved, would amount to about £36,000 a-year. That, in his humble opinion, was worth securing. As they all knew—any who did not ought to look up “*McCulloch’s Commercial Dictionary*”—1 per cent. per annum, capitalised, would, at 5 per cent., sweep away the whole debt of the colony in thirty-six or thirty-seven years; and, at 4 per cent., in about forty or forty-one years: consequently, he could not see the slightest

objection to the proposal of the Government. If they should gain only £20,000 a-year on the transaction, it would sweep away two-thirds of the whole public debt in forty years. Really, there could be little objection to trying the experiment—experiment it was not—in entering into that transaction. There was only one objection to it, which his honorable friend, Mr. Gibbon, had raised, very properly; and that was, that appearances were against the colony in regard to the public debt compared with the population; and, the facts would be noted in the trade circulars, and brought before the brokers on the Stock Exchange at home. But when it was considered that the greatest borrowing country in the world was England, whose national debt was the largest; and that she could, at the present time, borrow cheaper than any other power, there was not need for fear on the score of the public debt of this colony damaging her credit. Queensland was an appendage of England, and her stock had a very good name, and the colony could get as much money as it desired so long as she was able to pay the interest on her debt regularly; and it was of no moment whether the debt was a million more or less. So far, he differed from his honorable friend, Mr. Gibbon, that there was no time like the present for borrowing money. With the revival of industry in Europe, and in fact all over the world, the usual demand for money would arise; and, it struck him that it might arise very soon, and that instead of interest getting lower—which was seldom the case in prosperous times, though it came very often with dull times, as had been seen for the last four or five years—the demand for money would increase. He thought the colony ought to take advantage of the state of the money market, at the present time, when she was pretty sure to succeed in the undertaking proposed. He should fortify his opinion by facts which were patent to every honorable member of the House. Consols in Great Britain were 3 per cent. securities, and they stood usually at about £92. That would give about $3\frac{1}{2}$ per cent. Surely, this colony could not expect to succeed, at any time, with a loan at $3\frac{1}{2}$ per cent., when the best security in the world brought only $3\frac{1}{2}$. But, as the security was good, our 4 per cent. debentures would sell at the rate of the Consols of Great Britain; and if they did, that was about all that could, in fairness, be expected. He had information from home by the last English mail, which would justify this colony in going into the market as proposed. At the present time, South Australia was doing the very same thing that the Government of Queensland proposed to do. He had promised his honorable friend, Mr. Taylor, to shew him how the Government could easily get the 6 per cent. debentures from the holders; and he had said that some advantage must be given to them. The advantage would be something like what was shewn in the

tabulated statement which was laid before honorable members a few days ago. The correctness of the table had been doubted; but that was of no moment for his purpose. It would be seen that the loans fell due, some in eleven, some in twelve, some in eighteen, and some in twenty-two years. He must refer again to the exchange:—114 was the average price of the debentures, which, if persons were to buy them at the present time in the market, would bring about $5\frac{1}{2}$ per cent. interest. His figures were not mathematically correct, but they were approximately so, and correct enough for his purpose. Say, then, that 114 was the present average price, and the interest was $5\frac{1}{2}$ per cent. Those debentures which would fall due in eleven and twelve years hence, would be depreciated about 1 per cent. per annum, which would be a loss to the debenture holders. Consequently, by the exchange of the 6 per cent. debentures for the new debentures at 90, the holders would secure the same interest—indeed, a small fraction more from the new than from the old debentures. Under those circumstances, they would be satisfied with the interest. They would, also, gain every year the 1 per cent. depreciation of those old debentures. On the eighteen-years outstanding debentures, they would gain $\frac{3}{4}$ per cent. profit; and, on the twenty-two years outstanding debentures, they would gain a little better than $\frac{1}{2}$ per cent. That gain was quite inducement enough to the holders of the old debentures to exchange, and especially when it was taken into consideration that there would likely be a rise in the new debentures; the latter being stock under par, and being more capable of rising than the other, which was at a high premium. The new stock might perhaps rise as high as 95; and, if the credit of the colony kept on improving, he would not say that it might not reach 100—at which the Indian stock stood at the present time. There might, no doubt, be holders of whom the Treasurer could not get hold at all; some who would say that they had bought their debentures under par, and that they got their 6 per cent., and would not exchange. The House must still take into consideration that, at the converted rates, the holders of the outstanding debentures would, by the exchange, get $5\frac{1}{4}$ per cent., with the advantage of a premium hereafter, or from year to year, while the new stock had forty years to run—a very material advantage indeed. He (Mr. Heussler) believed he had shewn that the difficulty was not so very great after all, in the way of redeeming the old debentures; and, if there should be £100,000 or £200,000 not redeemable, the colony must be satisfied with a little less profit on that score, from the conversion and consolidation of the public debt. An observation had been made as to interminable debentures. It appeared that they had gone quite out of fashion; and, in lieu of interminable debentures, there were securities like Consols, with which a

young colony like Queensland should not attempt to deal. A young country should not hamper itself with such at all. No one knew what might arise henceforth. And, indeed, such securities, if put forward by the colony, would not be looked upon favorably, for the caprices on the Stock Exchange were sometimes very peculiar; and, without any reason, sometimes, a thing was not liked, and stood still. With regard to the objection to the Bill on the ground that it was brought in at the end of the session; why, every honorable member knew that the conversion and consolidation of the public debt had been under discussion for the past two years;—and, indeed, he had the honor of having written to the Colonial Secretary about some articles bearing upon the subject, which appeared in the *Courier*, especially about nine or twelve months ago; he had, also, conversed with the Colonial Treasurer on the subject. The time had come for such a Bill to be brought before Parliament, and the Council had time enough at command to discuss it fairly. True enough, it was a very important Bill, and it was one that required a good deal of attention. He did not blame the Treasurer that he intended to bring his Bill home. Most persons had some *amour propre*; and, really, he could not blame the Treasurer for wishing his child to be well nursed, and for desiring to take it home himself. Perhaps it was true that the honorable gentleman could not be conversant with all the details of conducting a large financial operation on the Stock Exchange; but, surely, he had common sense enough to say whether he could drive a profitable bargain with the people at home or not. Although the people at home might be acute enough, and very clever, yet he (Mr. Heussler), from his experience in the London markets, had a very high opinion of English mercantile men. They had a much higher standard of transacting business than he had ever seen in the colonies. He believed that no firm, such as Baring's or Rothschild's, or any broker of position, would sell his name for £50,000, or for any profit he could make by the exchange in such an operation as the one under notice; because the profit of a few thousand pounds to any respectable mercantile man in London was of very little consideration against a dirty transaction. If an honest-minded man went home from this colony and addressed himself to such a house as Baring Brothers—mentioned by Captain Hope—Rothschild's, or to one of the London bankers, or to a respectable broker, he was sure to get properly treated. It did not require a great financier, a Gladstone, to be sent home to negotiate a few millions of pounds on the London Stock Exchange. The Premier of South Australia, Mr. Ayers, was at home doing a somewhat similar business to that proposed on behalf of this colony; and he (Mr. Heussler) was not aware that that gentleman was a paragon

of financial knowledge. A man of common sense would very soon find out which was the best bargain for him, and where he could do his business most conveniently; and, as far as the business qualities of either the ex-Colonial Treasurer or the present Colonial Treasurer were concerned—as both honorable gentlemen had been named in connection with the Bill—he believed that the transaction under it was not of such magnitude as that the House would not be justified in giving their confidence to either of them, to bring out the conversion and consolidation of the Queensland public debt in London. He did not, however, say that this was a fair comment upon any gentleman. He might have a few words more to say in committee, when the respective clauses were taken into consideration; but he thought he had touched upon everything that was necessary for him to remark upon. He would repeat that now was the time to enter into the transaction; it would be better to do it now, when the colony was sure of making £20,000 to £40,000 a-year, than to put it off to some future time, when there could be no surety of making anything.

The question was put, and the amendment was negatived upon a division, as follows:—

Contents, 3.
Hon. H. B. Fitz
" J. Gibbon
" J. Taylor

Not-Contents, 10.
Hon. J. A. Bell
" W. Thornton
" J. F. McDougall
" L. Hope
" J. C. Heussler
" H. G. Simpson
" W. Hobbs
" D. F. Roberts
" F. H. Hart
" T. L. Murray-Prior.

Original question then put and passed, and the House went into committee to consider the Bill in detail.

Clause 2—The Governor may appoint agents for managing the consolidation.

The Hon. J. TAYLOR: Would the honorable gentleman who represented the Government, state who the agents were? Were they to be the agents for the colony in England, or would the Government send agents home? It was a very important point.

The POSTMASTER-GENERAL: Send agents home.

The Hon. H. B. FITZ: Would the honorable gentleman state whether any party had been decided upon by the Government for the purpose of carrying out the Bill?

The POSTMASTER-GENERAL: He was not aware, at present, that anything had been decided. No minute had been passed upon the matter.

The Hon. H. B. FITZ: Was it true that the Treasurer of the colony was to be sent home; and, if so, who was to be Treasurer in his absence?

The POSTMASTER-GENERAL: As he before stated, no one had been appointed. There might be some rumors touching what the honorable gentleman had stated, but the matter was for further consideration.

The clause was agreed to.
Clause 6—

"The agent or agents aforesaid may accept in payment for the debentures issued under the authority of this Act any debentures issued under the authority of any of the Acts enumerated in the schedule hereto at such rates and upon such terms as may be fixed by such agent or agents under the authority of the Government. Provided that all such rates and terms shall be notified by public advertisement."

The Hon. H. B. FITZ said the clause placed an awful power in the hands of the Government, which should be in the hands of the agents. He supposed, however, that it was scarcely worth while to attempt to alter it, as the party of the Government in the House would carry the Bill.

The Hon. J. TAYLOR said he objected to the great powers given under the clause. He presumed the agent was to understand that "the authority of the Government" would last when he was in England? When he was appointed and got home, the agent might do as he liked with the public money, and buy at what price he liked. There should be some limit fixed to his powers.

The Honorable W. THORNTON: If honorable members wished to have a maximum or minimum rate fixed in the Bill, it would, no doubt, be a gauge for the public at home to go by. He could not see that any great power was given: the agent would act under instructions from the Government. He presumed that the agent would be expected to exercise common sense in the transaction of the business under the Bill. It would be fatal to the Bill to insert the minimum rate.

The Hon. F. H. HART said he rose with great deference to speak on the Bill. It was one of so much importance, involving the country in a large expenditure, that any honorable member must have great hesitation in dealing with it. But it had been before the House only a few days, and he had not voted for shelving it, because he wanted to hear more about it when it was discussed in committee. He should much rather have seen it postponed. As far as the clauses had passed, he had nothing to say against them; but, with reference to the clause now under consideration, it struck him that the agent or agents who might be sent home ought to be controlled from the colony in the purchase and sale of debentures. He should be unwilling to fix a maximum or minimum rate by the Bill, because, if the rate was once known to the public, the debenture holders would rig the market for their own purposes. It would be far better that the agent, whoever he might be, should have instructions in his hands, sanctioned by the Parliament, than that he should be instructed, as in the clause, "under the authority of the Government." He presumed that the clause was framed under the idea that telegraphic communication with England would be established; but it was rather running a risk, to depend upon that means of

communication, for, as far as he could see, it would be twelve or eighteen months before the telegraph would be completed. Whoever went home in the capacity of agent should be supplied with a sort of sliding scale: if debentures were at a certain price, he could buy, or sell, at a certain rate. He should be controlled pretty much in the same way as the banks controlled their transactions: for instance, the banks kept within 2 per cent. of buying and selling rates. He did not see why the rates should not be fixed at between 19 and 22 per cent., which would leave an ample margin for a sliding scale. He had not had much time for making the calculation, but 22 per cent. was about the proper margin between purchasing 6 per cents. at 112, and selling 4 per cents. at 90. It would be best if some amendment was made in the clause; and he should move that the word "Parliament" be inserted in lieu of "Government," so that the "rates and terms" should be fixed under the authority of Parliament. He knew that the effect of the amendment, if carried, might be to throw the whole thing over until next session; but, for his own part, he should not much regret that. He had not had much time to look into it, but the question would not be much affected by the delay. He presumed that the proviso of the clause referred to "public advertisement" in England; because, if the rates were published in the colony that would have very little effect upon the sale of debentures at home. He offered his amendment suggestively. If honorable members objected to it, they could leave the clause as it stood. He did not move the amendment with a view to impede the Bill; but if it were adopted, it would strengthen the hands of whomever was sent home as the agent.

Question—That the word proposed to be omitted be so omitted.

The Hon. H. G. SIMPSON said he could not agree with the Honorable Mr. Hart, that it would strengthen the hands of the agent to act under the authority of the Parliament more than to act under the authority of the Government. The amendment was open to the same objection as was the suggestion to include in the Act the price of the debentures. If instructions to the agent were to be approved by Parliament, they would be just as public as if included in the Act. Unless his honorable friend wished, by his amendment, to put off the Bill to next session, he could not see that it was preferable to the clause as it stood.

The POSTMASTER-GENERAL said he wished to draw attention to the terms of the Loan Acts. If the Legislature entered into business on behalf of the country, somebody must be trusted. If the House hedged the agent all round, in the way proposed, instead of his power being greater than the Bill allowed, he would have very little power at all. If the amendment was carried, it would perhaps shelve the Bill; and he (the Postmaster-General) thought it must be for that reason

it was brought in, although the honorable gentleman did not see it in that light. As a matter of course, before any agent went home, the Government would enter into arrangements for the conduct of the operation, and the agent would receive his instructions from them. No agent would be sent home indefinitely authorised, or in a position to do what he liked, or to act without consulting the Government; and regular communication would be kept up with the agent from the colony. The agent would be in a high position, and it would be to his honor to make the best arrangements he could. As the Honorable Mr. Heussler had explained, if a transaction could not be conducted to the advantage of the colony and the public credit, the agent would not act—the debentures would remain in the hands that now held them. He could not agree with the Honorable Mr. Fitz and Mr. Gibbon that this was not the time to enter into the negotiation; the present was the best time. The agent would be instructed to conduct his transactions, much in the way that the banks acted; he would have a discretion within rates to be named under authority. He trusted that the Honorable Mr. Hart would withdraw the amendment.

The Hon. J. TAYLOR said it appeared to him that the Government were so strong and mighty that honorable members must not ask a question or do anything that they did not approve. The representative of the Government had just said that they were obstructionists. In the name of Patience, what did he mean? All views were wrong, because they did not chime in with his! The power placed in the hands of the agents was too great altogether. The Council knew how agents had acted hitherto; and that they had not followed their instructions. Else, why Mr. Douglas' committee? Why Mr. Jordan's committee? He (Mr. Taylor) had no hesitation in saying that, if the Colonial Treasurer went home, he would do exactly as he liked. It was necessary to insert in the Bill the purchasing price of the 6 per cents. and the selling price of the 4 per cents. As to the publicity of it, look at the proviso of the clause. The Bill dealt with an enormous sum of money. Did honorable members calculate what a-half per cent. on five millions sterling amounted to? Yet, by a slip of the pen or the loss of his temper, the agent might involve the colony to that amount. If the agent could not carry out the Bill, or find sellers at the rate fixed, he could let the Parliament know. The negotiation would not be an affair of six months. It would not be a mere pleasure trip home. It would be a matter of two or three years. Suppose that the Ministry gave the agent written instructions, and he deviated from them: what power had the Government over him, under the Bill?

The Hon. L. HOPE: Perhaps it would satisfy the Council if they were told by the Postmaster-General who the agent was to be

The Hon. J. TAYLOR: He would not do so.

The Hon. L. HOPE: At the same time, he felt inclined to support the amendment, to give more time for the consideration of the measure. It was too much, to rush it through the House at twenty-four hours' notice.

The Hon. H. B. FITZ: If the Council were to be a check upon hasty legislation, it was perfectly monstrous to rush such a measure through on nearly the last day of the session. It was a very old custom that the most important Bills were, under the suspension of the Standing Orders, made law when honorable members had not even read them. Some of the remarks of the Postmaster-General were uncalled for.

The Hon. W. HOBBS said he thought honorable members were fighting for a shadow, because, according to his reading of the Bill, nothing could be done by the agent except "under the authority of the Government." No steps that the agent took without reference to the Government would be recognised.

The Hon. H. B. FITZ: Look at the Immigration Act.

The Hon. W. HOBBS: That was a mere bagatelle to this measure. The Honorable Mr. Fitz and Mr. Taylor knew very well, from what appeared in the public press, that the Colonial Treasurer was to go home.

The Hon. J. TAYLOR: Hear, hear! They did not know, because they could not get it out of the Postmaster-General. But it was insinuated by the Honorable Dr. Hobbs.

The Hon. W. HOBBS: He did not say so. He said it was well known from the public press. Everyone in the House knew that the Treasurer of New Zealand had gone home to conduct operations similar to those proposed for this colony; and the New Zealand loan was satisfactorily negotiated. He (Dr. Hobbs) did not see why our colonists should be under-rated, or why there should be any fear that the Colonial Treasurer of Queensland would not be equally successful at home. The Government must attend to the business which was peculiarly theirs. Parliament could not be called together at five minutes' notice to attend to the financial arrangements. He was astonished that obstruction should be put in the way of the Bill in the way that he saw. The whole question had been before the public for the past eighteen months, and the newspapers had published very able articles on both sides.

The Hon. J. TAYLOR: The question was of vital importance to the colony. When the rates were fixed by an Act of Parliament, there was something for the agent to go by, and he could not deviate from it. It was all very well to say that the Immigration Act, and Mr. Jordan's and Mr. Douglas' affairs, were a bagatelle to this Bill; the immigration question was, at the time, as important to the colony as the consolidation of the loans, now. It was no use to deny it; as the instructions under that Act were not carried out, neither would the in-

structions under the Bill be followed by the agent. Suppose that the Government decided that they should buy at 112 and sell at 90, and that the agent found that he could buy at 113 and sell at 89, and that he acted on his own discretion: see what a loss would be entailed on the colony. The settlement of this question was of much more importance to the colony than the Honorable Dr. Hobbs thought. The best way of effecting it would be to take the onus off the Government and to place it upon the Parliament. When the agent went home, if he found he could not operate, let him send back and inform the Government that he could not.

The Hon. J. C. HEUSSLER observed that he could not see the difficulty between the prices he had named and those just mentioned by the Honorable Mr. Taylor. The House must either throw out the Bill, or leave the authority to instruct the agent in the hands of the Government, who would fix the rates of selling and buying. If the object of honorable members was to throw out the Bill, well and good. Better that than spend money for nothing in sending an agent home who would not be in a position to do the best that could be done for the colony; but the Bill should not be thrown out on a subterfuge. Suppose that Parliament fixed the selling price at 90 or 91, and the agent could get 89 or 90½, the agent would have no power to act. But, if Parliament did not trust the Government for the execution of the public business, it should throw out the Government as well as the Bill.

The Hon. H. B. FITZ alluded to the difficulty that might ensue from a change of Ministry in the absence of the Treasurer in England; and said that he would rather see the honorable gentleman—who had displayed more ability than the country had given him credit for, and had managed to shift from one side of the House to the other, into office—go home as financial agent than as a member of the Ministry, to prevent complications. If the late Treasurer, Mr. Ramsay, went home, he would have the confidence of the whole colony; and if £2,000 a-year was given to that honorable gentleman, it would be profitable to the colony to send him home. If the present Treasurer went home he would look upon himself as the Government, and would do many things that he could not do as financial agent. Although it was unfair to allude to the matter, yet the evidence had been published, and it was known how Mr. Douglas had set aside the instructions he had received from the Government, which conducted to that Minute of the 2nd September, worded in the strongest language that could be used. The House could do nothing to the Treasurer, at home, but pass a vote of want of confidence in the Government of which he was a member. Impeachment was of no effect in the colony, even if he converted a million or two of money as he liked. No law could touch the Colonial Treasurer.

The Hon. W. HOBBS said it would be impossible, or if not, it would be ridiculous, and a rank absurdity, to fix in an Act of Parliament, the price at which the outstanding debentures should be taken up, and the new debentures quitted. When the agent reached England, the prices fixed might no longer apply. In answer to the Honorable Mr. Taylor, he (Dr. Hobbs) said the operation, if not trammelled, might not occupy the agent more than a few months at home. Unless in the event of an European war, or an outbreak of hostilities between England and America, there would be nothing to detain him at home two or three years, or to interrupt the conversion of the debt.

The Hon. H. G. SIMPSON observed that if the instructions to the agent were not drawn by the Government, they could not be drawn at all. It mattered not who was to be sent home, a certain amount of liberty must be accorded to the agent. He would be pretty well tied down by his instructions: a certain rate would be named which he could not exceed.

The POSTMASTER-GENERAL: Honorable gentlemen knew that there were continual fluctuations on the Stock Exchange; and, how could Parliament fix the rates at which debentures could be bought or sold? The Honorable Mr. Fitz did not object to the principle of the Bill, because if one gentleman was sent home it would be all right.

The Hon. J. TAYLOR: It was all very well to say that Parliament could not fix the rates: the Government could!

The Hon. W. HOBBS: They might as well try to regulate the tides.

The Hon. J. TAYLOR: If the Parliament could not fix them, how could the Government fix them?

The Hon. J. C. HEUSSLER pointed out that the agent of the colony would have to consult with some mercantile firm, bank, or financial corporation, at home; and, according to the agreement between them, he would publicly advertise the rates at which he would negotiate.

The Hon. F. H. HART deprecated the misunderstanding of his object in moving the amendment. He did not wish to have any scale inserted in the Bill: that would be a suicidal action. All he desired was, that before the agent went home, a certain scale should be fixed by Parliament:—If debentures were selling at such a price, the agent could buy at such a price; and he could sell the new debentures in proportion to the purchasing rate of the outstanding debentures. He did not wish to leave the matter in the hands of the Government. The most sensible man, by the slightest error, by the miscalculation of a unit, might do a great deal of harm, and involve the colony in a loss amounting to half-a-million of money. If a scale was drawn up and laid before Parliament, there were many gentlemen in both Houses who would pull it to pieces. As to

the fluctuating rates on the Stock Exchange, alluded to by the Postmaster-General, the agent would be instructed that if debentures went up to a certain price, he was not to operate, but to remain quiet. He would have his scale, he would know his figures, and he could not operate except when he could do so with advantage. The Honorable Mr. Heussler wanted to throw the whole responsibility upon the Government. He (Mr. Hart) wanted to throw it upon Parliament. For his own part, he had spoken to members of the Government about the Bill, and they could give him no satisfactory account of it. He had consulted several clever accountants and mathematical men; and they had told him that only an actuary could work out the figures which had been placed before honorable gentlemen in connection with the Bill. He certainly could not work out those figures. The Honorable Dr. Hobbs had said that the operation under the Bill might be carried out in a few months. Well, it took the agent for New Zealand some months to complete his negotiations; and the Colonial Treasurer had stated, in the other House, that it would take twelve or eighteen months. Persons who held debentures could not be forced to give them up. The agent must watch his opportunity, and, by placing the new debentures at an advantage, offer an inducement to holders to give up the 6 per cents. in exchange. He (Mr. Hart) was not opposed to the Bill—he was in favor of consolidation; but he did not see sufficient in it, as it stood, to warrant him in giving his vote for the clause.

The Hon. H. B. FITZ said, if the amendment had the effect of throwing out the Bill, the country would owe Mr. Hart a debt of gratitude.

The Hon. J. F. McDougall said he approached a question of such vast magnitude with great diffidence. It was one that affected the interests of the colony very much, and it ought to have the most careful consideration at the hands of the House. He had listened to the observations of honorable gentlemen who were most competent to express their opinions upon the Bill; for, he confessed that the matter of it was entirely beyond his experience and knowledge; and what he had heard on both sides of the House inclined him to support the amendment. If the conversion and consolidation of the loans was to be of such advantage to the colony as was represented, he did not see why it should not be left to the Parliament to decide the rates and terms and to take the responsibility of so doing out of the hands of the Government. He could not see that the alteration of the Bill should impede the carrying out of the arrangement for the advantage of the colony.

The Hon. J. TAYLOR held that everything would be done at a cabinet meeting, without any reference by the Government to the advice of persons at home.

The question was put, and the committee divided:—

Contents, 6.	Not-Contents, 6.
Hon. L. Hope	Hon. J. A. Bell
" J. Taylor	" H. G. Simpson
" J. Gibbon	" J. C. Heussler
" F. H. Hart	" W. Hobbs
" J. F. McDougall	" W. Thornton
" H. B. Fitz.	" T. L. Murray-Prior

The CHAIRMAN said it devolved upon him to give his casting vote, and, according to May's "Practice of Parliaments," he should give it in favor of the "Contents," so that the matter might be further discussed. It was laid down—he would just read the passage—that

"If the numbers happen to be equal, the Speaker (and in Committee, the Chairman), who otherwise never vote, must give the casting voice. In the performance of this duty he is at liberty to vote like any other member, according to his conscience, without assigning a reason; but, in order to avoid the least imputation upon his impartiality, it is usual for him, when practicable, to vote in such a manner as not to make the decision of the House final, and to explain his reasons, which are entered in the journals."

Question—That the word "Parliament" proposed to be inserted be so inserted—put, and the Committee divided, with the same result as shewn above.

The CHAIRMAN gave his casting vote again with the "Contents," and declared the question to have been resolved in the affirmative.

The POSTMASTER-GENERAL then moved that the Chairman leave the chair and report progress, and ask leave to sit again tomorrow.

The Hon. H. B. FITZ desired to move an amendment, that the Chairman report no progress.

The Hon. H. B. SIMPSON must oppose the amendment, for the simple reason that it was incorrect, seeing that the committee had made progress with the Bill.

The CHAIRMAN ruled that he did not see his way to making a report of no progress to the House. The committee had made progress.

The Hon. H. B. FITZ moved that the Chairman leave the chair, and ask leave to sit again this day six months.

The POSTMASTER-GENERAL deprecated the action of the Honorable Mr. Fitz. The Chairman had given a reason for his vote—to afford the opportunity for further discussion; he had not voted for shelving the Bill, which would be the effect of the amendment.

The PRESIDENT said that he had not taken any part, previously, in the discussion of the Bill, as he was willing to confess that he did not understand the question, and he was not inclined to take upon himself the responsibility of arguing it before the House. Looking at it as one affecting largely the financial circumstances of the colony, he was, as an individual, content to leave it in the hands of the Government, whom he was

inclined to support, believing them to be best capable of conducting such an operation as was proposed by the Bill for the public advantage. But there were many matters indirectly connected with the great question, with which many honorable gentlemen present were more competent to deal than he was. Therefore, he had not attempted to interfere with the discussion. He had listened to the discussion, and he had arrived at the conclusion that the question was not so fully decided as to be withdrawn from all after consideration; and, as it stood, he thought his honorable friend, Mr. Fitz, might leave the amendment—or, at all events, the effect of it—to be discussed at some future time. By the amendment he had just moved he tried to get rid of all further consideration of the measure; and he (the President) did not think that a wise resolution; and he should therefore feel bound, if the amendment was pressed to a division, to vote against the honorable gentleman. He fancied, therefore, that as the votes were equal, his voice would throw the majority on the opposite side to the honorable gentleman. It would, therefore, be as well for him to withdraw his amendment, and leave the question for discussion upon a future occasion, when the Bill should be next brought forward.

The Hon. H. B. FITZ: As the honorable the President had thrown his weight into the balance, it was useless to take up the time of the House with another division; and he wished, therefore, to withdraw his amendment. He was sorry that the President could not have taken a more comprehensive view of the subject, such as he (Mr. Fitz) thought it required from him.

The amendment was, by leave, withdrawn; and the original motion was passed. The House then resumed, and the Chairman reported progress, and obtained leave to sit again.