

Queensland



Parliamentary Debates
[Hansard]

Legislative Assembly

MONDAY, 19 AUGUST 1872

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LEGISLATIVE ASSEMBLY.

Monday, 19 August, 1872.

Homestead Areas Bill.—Loans Consolidation Bill.—Railway Amendment Bill.—Railway Laws Amendment Bill.

HOMESTEAD AREAS BILL.

The House having gone into Committee of the Whole for the purpose of considering the amendments made by the Legislative Council on the Homestead Areas Bill,

The SECRETARY FOR PUBLIC LANDS said that, as honorable members were aware, three amendments had been made upon this Bill by the Legislative Council. The first was in the sixth clause, and proposed that the maximum area of land that might be resumed should be reduced from 640 acres to 320 acres; and it was his intention to move that this amendment should be agreed to; but as to the other two amendments he would propose that the House disagree to them. He now moved—

That the amendment made by the Council in the sixth clause be agreed to.

Mr. CLARK said he was somewhat surprised at the honorable the Minister for Lands endeavoring to force the original area of 320 acres upon the House, after the most distinct way in which the House decided when the Bill was previously before them in committee, that the area should be enlarged to 640 acres. The arguments which were adduced on that occasion were of so cogent and convincing a nature that the extended area was carried by a large majority. He felt it would be useless to go into the matter again, and, therefore, he would content himself with saying that he would oppose the motion of the honorable gentleman, and would move as an amendment—

That the area be restored to 640 acres.

He hoped the House would see the propriety of adhering to the amendment they made on this point upon the Bill as originally introduced.

The COLONIAL SECRETARY: It was not necessary to move an amendment for that purpose. It would be quite sufficient if the House negatived the amendment made by the Council.

Mr. GRIFFITH said he believed that when the Bill was passing through the House, there was a distinct bargain made, that the area should be 640 acres, and he was, therefore, astonished that the honorable the Minister for Lands should now propose the reduced area of 320 acres, and without giving any explanation for his doing so. It would seem as if the honorable gentleman wished to fall back upon the amendment, with the purpose of getting out of the bargain. He hoped that those honorable members who voted for the enlargement of the area to 640 acres, would oppose the amendment which had been made on the Bill by the Legislative Council.

The SECRETARY FOR PUBLIC LANDS said that all that could be said upon this question, had been said over and over again, and, unless it was the honorable member wished to hear him make a speech, he did not see any use for his doing so; and, that was the reason why he had not entered into any explanation on this occasion. As to a bargain, he would certainly abide by it if a bargain had been made; but he had no recollection that there was anything of the kind, and even if there had been one, it had been swept away, so far as he was concerned by the action of the Legislative Council. But, he did not remember that there was any bargain in the matter. His reason for proposing that the House agree with this amendment was, that they might facilitate the passing of this very important Bill. That was the only reason he had to give. He had no fresh arguments to advance; and he thought it would be better to agree to the amendment than to risk the passing of the Bill.

The COLONIAL SECRETARY said he did not very well see how there could have been any bargain in this matter, for, on referring to the records, he found there were two divisions upon this very point. In one division, the numbers were nine to twelve, and in the other, nine to fourteen; and that being the case, he did not see how there could have been any bargain made.

Mr. MACDEVITT said that, when this matter was last before the House, in committee, he had a strong opinion as to the extension of the area, and he had that opinion still; but, as the honorable the Minister for Lands had thought fit, in order to secure the passing of this very important Bill through this House and through the Upper House, he would not now offer any opposition to the motion of the honorable gentleman, and would agree to the reduced area of 320 acres. He thought it would be well for the House to secure the passing of the Bill by agreeing to the restricted area, though it was not so large as he would desire to see it.

Mr. WIENHOLT said he would oppose the motion, as he considered that the Bill was improved by the amendment which had been made upon it by the Legislative Council. He thought that, for the creation of a class of small agricultural settlers, 320 acres was amply sufficient, and that it would be highly unadvisable to create a class of small pastoral settlers, which would be the effect of the granting the larger area. He thought that those who were anxious to go into pastoral pursuits should go outside and take up runs, and not try to enter upon the runs of others. The area of 640 acres was tried in Victoria; but, as he saw by the last *Australasian* [from which the honorable member quoted], it had been found to be a failure, and it had been found necessary, for the benefit of selectors themselves, to reduce the area to 320 acres. That was what the people

of Victoria, who had had large experience in the matter, had found it necessary to do; and for that and other reasons he would support the amendment which had been made by the Council, as he considered it to be an immense improvement on the Bill. He even thought the area of 320 acres was too large; but, nevertheless, he would support it.

Mr. CLARK said he was not aware there was to be any discussion on this question, otherwise he might have spoken at a little greater length upon it when the honorable the Minister for Lands moved that the House should agree to the reduced area. However, as the honorable member for Western Downs had made a speech, he thought it ought to be replied to. He was not astonished the honorable member should support the amendment, because it would do exactly what he wanted, and that was this: it would lock up the lands and prevent settlement. It was very well known that when the land was opened for settlement, it was a perfect mockery, a farce and a sham, to offer 320 acres to people—it was a mockery to induce them to settle on such a small area as that. It might suit some honorable members that the people taking up those areas should not make them pay, as they could then go and buy them out, as had been already done. As to the letter quoted by the honorable member for Western Downs, from the *Australian*, it was not of much value, as, in all probability, it was written by some person interested—by some person who wished to stop settlement.

Mr. WIENHOLT: It is a leading article, not a letter.

Mr. CLARK did not care what it was—its object was to stop settlement. He maintained that directly an individual was prepared to pay for land, the Crown lessees should give way to him. If they wanted to settle a prosperous class on the lands, they must give them sufficient lands to enable them to combine grazing with farming; and, therefore, to offer them 320 acres was like offering a man a stone when he asked for bread.

Mr. GRIFFITH maintained that what he had before stated was a fact—that when the Bill was in committee a bargain was made with the honorable Minister for Lands, as would be seen on reference to the "Votes and Proceedings." The honorable member then said that if 640 acres was passed by the committee, he should be allowed to introduce a new clause; which was done, and which clause raised the price.

Mr. WIENHOLT said that if what the honorable member for East Moreton had stated was right, no amendment that was made by the other Chamber could ever be accepted. If it was supposed that the Upper House had no power to make amendments, then the Upper House was perfectly unnecessary.

Mr. ROYDS said it was perfectly clear to his recollection, that no such bargain had been

made as that alluded to—but the fact was, that the honorable Minister for Lands made the best bargain he could.

HONORABLE MEMBERS: Hear, hear; and laughter.

The SECRETARY FOR PUBLIC LANDS said that if he had had any influence with the other branch of the Legislature, he should certainly have used it to induce them to pass the Bill as it had gone to them. He was not aware that they would have reduced the area, and he had been rather surprised on finding that they had done so. He thought it would be well to accept the amendment now under consideration, but he should certainly oppose the other amendments which had been made by the Council.

Mr. LILLEY said that, although he had voted for the larger area, he must say that he thought the honorable Minister for Lands had acted with perfect good faith in the matter. He certainly thought that the Upper House would have done well in leaving the Bill as it had left the Assembly; but, as they had not done so, he thought it would be better for the committee to accept the amendment which had been made. As to the other amendments of the Council—which they could not consider at the present time—he would say nothing; as, if he did say anything about the action taken by the other Chamber in that respect, he would be hardly able to contain himself; so he would let them pass.

Mr. JOHNSTON thought that the areas proposed to be resumed being so small in extent, the amendment of the Legislative Council reducing the maximum to each selector, was a decided improvement on the Bill. He believed that if the areas allowed were 640 acres, it would reduce the number of selections by one-half. Now, his experience of farming in the district in which he resided was, that those who had a large quantity of grazing land were not the most successful; but those who had a reasonable quantity of good grazing land, and combined agriculture with it, were. It had been argued by the honorable member for Warwick that it was impossible that a man could live on 320 acres of land, and that allowing so small an area would be tantamount to stopping the settlement of the right description of men, by which the honorable member meant small graziers. He, however, could not see any obstacle in the way of small graziers settling down, if they wished to do so, as they could avail themselves of the provisions of the Act of 1868, which allowed a man to select 2,560 acres of second class pastoral land. So that the class referred to by the honorable member was already provided for by the Act of 1868. The object of the framers of the present Bill he conceived to be, first, to withdraw a certain quantity of land for immediate settlement within the settled districts, for the purpose of supplying small farmers, who must be within the vicinity of a market for their produce. He considered that the area proposed by the amend-

ment of the Legislative Council was quite large enough, and, therefore, he should support it. The other amendments which had been made in the Bill by the Upper House he should oppose altogether.

The Hon. R. RAMSAY thought that they should treat the amendment as a matter of policy—namely, that if they accepted it, it was probable that the Bill would become law; whilst, if they rejected it, there was a strong probability that the Bill would be thrown out in another place. The question was, was the area as proposed by the amendment large enough? He thought it was; and that it would accord with the original intention of the Bill better than a larger area would, as the Bill was intended to meet the requirements of the poor man, for whom 320 acres would be found amply sufficient. It must be known to honorable members, that to work and occupy 640 acres of land with profit, required a large amount of capital; and for the class of men who had that capital, sufficient facilities already existed.

Mr. CLARK said he did not believe in the poor man being encouraged to go on the land, although it had become the fashion to always bring in the poor man in any discussion on the subject of the lands. He might mention that, when first the Bill was introduced, the price per acre was to be the same as under the present homestead clauses; but directly a majority of the committee decided that the area should be enlarged from 320 to 640 acres, a bargain was made by the honorable the Minister for Lands—and he maintained that a bargain was made—that the committee should meet him in regard to the price. That was the arrangement. As regarded the poor man, what good would it be to him to have the area reduced, if the price was to be doubled? He did not believe in the poor man going on to the land, as he had said before—it was a fallacy for a man to go on the land without capital—he had no business there—for all he could do would be to starve, and his land would be lost to him, and fall into the hands of large squatters.

The COLONIAL TREASURER was quite satisfied that the honorable member for Warwick had expressed his real opinion when he said that he did not want the poor man to go on the land. What the honorable member wanted was, that large capitalists should have an opportunity of taking up the land, in order to increase their present holdings. Now, if the Government had intended to bring in another Bill similar to that of 1868, such an intention on their part would have been stated to the House; but the present Bill was introduced specially to effect the object which it was evident the honorable member did not wish to see carried out.

Mr. HANDY said it was his intention to vote with the honorable member for Warwick in favor of the larger area. It had been stated that if the area was only 320 acres, farmers could not make a living, and that

then the selections would be bought up by the squatters; and he quite agreed with that argument. He thought that a man should have sufficient land to live upon, and not starve; and, therefore, he was in favor of the 640-acre areas.

Mr. THORN said that if he had been in the House when the Bill was being discussed, he should certainly have opposed the larger areas. He believed that if the larger area was decided upon, there would be a great many persons who would evade the law, and the whole of the land resumed would very shortly be locked up in the hands of a few. Again, the House had lately passed an Immigration Act, by which encouragement was to be given to settlement, and he would like to know where those people would settle if the large areas were proclaimed; as the land would all be taken up at once by the squatters. The honorable member for Fortitude Valley knew very well that it was the most difficult thing in the world to disprove residence, as the onus of proving non-residence rested with the objector. He would like to hear the honorable member's definition of what was a resident. He questioned very much whether, if a man only stopped a day or two in the year on his land, he was not a resident within the meaning of the Act. Another thing was, that if the amendment of the Council was not accepted, the passing of the Bill would be imperilled. If small graziers required land, they could go into West Moreton and other places and take it up under the Act of 1868. He hoped that the committee would accept the amendment of the Legislative Council.

Mr. MACDEVITT said that he should be disposed to accept the amendment, not because it was any solution of the question, but because he thought it would be a compromise which would enable the measure to pass through another place. The honorable member for Western Downs, Mr. Wienholt, had quoted from an article in the *Australasian* which was to the effect that large areas had been attended with bad results in the colony of Victoria, and had held out that article as a warning to the committee not to grant larger areas. The honorable member had even gone further, and said that a farmer was happy and comfortable in proportion as the area allowed to him was decreased. Now, that was a course of logic too severe for him to follow; but if the honorable member had read down a little more of the article from which he quoted, he would have seen that what had been done in Victoria had been endeavored to be avoided in this colony. It was perfectly true, that if the House wished to establish a population on the soil where the market was limited and the seasons were uncertain, and that population was confined to agriculture, the benefits derived, would be very much narrowed down; and that, to properly induce settlement, grazing must be combined with the cultivation of the soil. If, however, the honorable member had

followed further the argument of the writer in the *Australasian*, he would have found that the results he had endeavored to deduce from it were not altogether those that an impartial reader would deduce from it.

Mr. HEMMANT thought that the Bill was now in a far worse shape than when it was first introduced, as then the terms of payment were ninepence an acre for agricultural, and sixpence an acre for pastoral land. But, by the bargain, or compromise, or whatever name it was called by, it was agreed that if the area was extended, the rent should be increased; and thus by the amendment, although the area was reduced to the 320 acres originally proposed, the price of the land remained at what it had been increased to by the committee. If that was to remain so, he thought the country would be just as well without the Bill at all.

Mr. LILLEY said the honorable member for West Moreton, Mr. Thorn, appeared to think that there was considerable difficulty in defining what was "residence" on land, and he quite agreed with the honorable member. He believed himself that the only bit of good in the Bill was, that it would break the charm of the ten years' leases. There was no denying, that it was not at all a measure adequate to meet the demands of the colony; but he had been willing to accept it as it had passed that House, as being something like a reasonable concession from the pastoral tenants, who were anxious, by that means, to stay for a time the larger agitation which would undoubtedly arise upon that question. He thought that, do what they might, the squatters would not be able much longer to put off free selection before survey, both by small squatters and agriculturists; and he was satisfied in his own mind that there was no class of men who were expediting that consummation more ingenuously and determinedly, than the gentlemen against whom the small selectors were supposed to be acting so injuriously. He believed that the pastoral tenants, with their usual sagacity, were bringing down upon themselves free selection by farmers and others, whom they dreaded. He should vote on the present occasion, as he had voted before, against the 320 acres. He had no doubt that the honorable member for Western Downs, Mr. Ramsay, was perfectly right when he said that the Bill was meant for the poor man; but the honorable member should have added—and to keep him a poor man. That was his opinion, at any rate. So far as dummyming was concerned, there was no doubt that the same people would dummy 320 acres who would dummy 640 acres. The dummy would steal in upon any quantity; he was not above snapping up 320 acres any more than 640 acres. He believed that it would be better to strike out all the amendments, and pass the Bill as it left that House, taking upon themselves the hazard of its being thrown out by the other Chamber.

Mr. THORN said the honorable member had not, after all, given him the definition of what was "residence." He believed that the temptation would be as great to dummy under the 320-acre areas as under the 640 acres.

Mr. LILLEY said that "residence" under the English law meant the domicile or place where the man had his family, or where he took his meals, during the greater portion of the year—where he returned after the labors of the day. There was no difficulty in defining it. It was certainly not the place where a man resided for a day or two in the year.

Mr. CLARK said he would like to ask the honorable Minister for Lands whether, as the area had been altered, he would revert to the old price—the poor man's price; because, if the honorable member was consistent—if he thought that the poor man could live upon 320 acres, he must think that the poor man would be benefited by the poor man's price, namely, sixpence an acre.

Mr. W. SCOTT quite concurred with the opinion of the honorable member for Warwick, because, if they restricted the area to 320 acres, they would always have poor men in the colony. He would like to see what honorable members on the Government side of the House would do, if they were restricted to 320 acres to settle upon; would those honorable gentlemen remain in the colony, or induce their friends to come to it? He contended that the Government should encourage the introduction of men with capital, which they never could do if they restricted the areas to 320 acres.

Mr. MOREHEAD thought the honorable member who had last spoken had quite misunderstood the object of the Bill; for he had always been under the impression that it was not to induce capitalists to come to the colony, but to make provision for the settlement on the lands of the poor man. He believed that the poor man would be very much more benefited if allowed to select 320 acres; and that he could make a good living out of it. On the other hand, if the area was larger, it would have the effect of dispossessing one class of pastoral tenants by another. He should support the amendment of the Legislative Council; and he had yet to learn that that Chamber had not any right to make an amendment; or that, because a bargain had been struck between the two sides of the Assembly, the other Chamber should be dumb. If that was to be so, they might just as well be without a Legislative Council.

Mr. GRIFFITH pointed out that the committee, by disagreeing with the amendment now under consideration, would no more endanger the passing of the Bill than by rejecting the amendment in the thirteenth clause, which he had understood the honorable Minister for Lands to say he intended to do.

The SECRETARY FOR PUBLIC LANDS, in reply to the honorable member for Warwick, said that it would be impossible now to alter the

price mentioned in the Bill, as the committee had no power to make such an alteration.

Mr. CLARK said he would like to know then how the poor man was to get his land if he had to pay such a price for it. It shewed the utter absurdity of the whole thing, and that the Bill was not intended for the poor man.

The motion, that the amendment by the Legislative Council be agreed to, was then put and carried, on division, as follows:—

Ayes, 15.	Noes, 7.
Mr. Palmer	Mr. Lilley
" Bell	" Griffith
" Bramston	" Hemmamt
" Walsh	" Clark
" Thompson	" W. Scott
" Ramsay	Dr. O'Doherty
" Buchanan	Mr. Edmondstone.
" Wienholt	
" Stephens	
" Royds	
" Morehead	
" MacDevitt	
" Cribb	
" Thorn	
" Johnston.	

THE SECRETARY FOR PUBLIC LANDS then moved—

That the second amendment made by the Council be disagreed to.

It consisted of the insertion of the following new clause after clause 12 of the Bill as it passed the Legislative Assembly, and was as follows:—

"It shall be lawful for the Governor in Council to grant to the lessees by way of compensation for such lands as are now proposed to be resumed from their leases the right to pre-empt to the extent of one thousand two hundred and eighty acres on the areas included in such leases. Such pre-emptive selection not to include any portion of such proposed resumptions."

This clause, he said, proposed to give to the pastoral lessee a further right of pre-emption; and if honorable members would look at the fourteenth clause of the Act of 1868, they would see what was the right of pre-emption; and the clause went on to state that on the right of pre-emption being exercised, all further right to compensation on the part of the Crown lessee should cease. But this new clause inserted by the Council in this Bill proposed to give the lessee a duplicate compensation. It proposed to give them compensation, because of the lands that might be resumed, in addition to the right of compensation they now had.

Mr. WIENHOLT said he could not agree with the honorable the Minister for Lands in saying that this clause proposed a duplicate compensation to the Crown lessees. He maintained that it did nothing of the sort. This amendment did not contemplate a compensation at the end of the currency of the lease, but a compensation for the breaking of the lease, and this Bill proposed a breaking of the lease. It would be a wise thing to agree to this amendment, and let the leaseholders see that the House was willing to act justly towards them; and it was only fair and just, when they took away from an individual or from a class any portion of the

rights they possessed and handed them over to another—it was only fair, when they did so—when they broke the leases of the pastoral tenants, which they were doing by this Bill—it was only fair and just, when they did that, to give the lessees a reasonable compensation for the loss they would sustain. But what, after all, was the compensation that it was here proposed to give the pastoral lessees? Why, it was only to give them the right to purchase the land—to give them the same right as other members of the community possessed. In fact, it was giving nothing to the lessees; and, therefore, he was the more surprised that there should be any opposition to the amendment. He saw, however, that the pastoral tenants had very little to hope for from that House—or, perhaps, from any future House, in this colony. They were in a minority, and must give way. It would no doubt be said, there was a bargain made by the Act of 1868; but he maintained that there was no bargain in the matter at all, for the leaseholders had had all the bargain there was thrust upon them. It was a bargain, if bargain there was, that was all on one side, for the pastoral tenants were no parties to it at all. They had the terms and conditions thrust at them, and they were told that, if they did not take what was offered to them, they would get nothing. They might as well knock a man down and offer him certain terms before he was allowed to get up again, and call it a bargain; and that was what was done by the Act of 1868. It would also be said, no doubt, that there were terms offered to the Crown lessees; but he maintained that there were no terms offered to them. He considered it was only right for the House and the Government to keep good faith with the whole of the inhabitants of the colony. He would support the amendment.

Mr. HANDY said he thought the honorable member for Western Downs, and others who held similar views, were laboring under a great mistake; for those gentlemen knew very well that the squatters had, in the first instance, a very long tenure of lease, and it was further extended to them, and during that time they picked up the best lands on their runs under their pre-emptive rights; and, further than that, they picked out the very eyes out of the country, and by this amendment they wanted to have another opportunity to repeat the same operation. Now, he maintained that, under their leases, the pastoral tenants had no rights whatever, because the leases were not interminable; and they did not hold possession of the land in fee simple. They held the land only upon lease, and that with the condition of its being liable to resumption at any time. They held their leases subject to the condition that the Crown could take up the land whenever they required to do so; but the lessees wished to hold possession of the lands and keep out settlement, and shut up the lands from popu-

lation. Now, he thought it would be a wise thing for the Crown lessees, or their representatives in Parliament, to consent to this amendment.

Mr. MOREHEAD said that the speech they had just listened to from the honorable member for North Brisbane was very different indeed from the speeches he addressed to the electors of the Mitchell when he was wooing the suffrages of the squatters in that district. He then said that he would reduce the rents of the squatters by one-half, and that the country districts and the pastoral tenants were oppressed by the towns. The honorable member, at the same time, said, when he was addressing the electors of the Mitchell, that the towns were the curse of the colony. But it seemed that a great change, a very great change, had come over the mind of the honorable member since he became the representative of a town constituency. It was his intention to support the amendment proposed by the Council; and he could not see in what way it was to be regarded as a duplicate compensation. It was not a compensation for the termination of the lease, but a compensation for the breaking of the lease; and in that respect he did not see that it came within the meaning of the term. If it was found that it would pay the country better to resume the lands and dispose of them in some other way than under lease for pastoral purposes, it was only fair that the present holders of the land should be compensated. The whole question was simply one of keeping or breaking faith; and although he was satisfied that the amendment would not be carried, he and others on the same side of the House would have this satisfaction, that they had fought a good fight for the maintenance of honor and justice, and also the good fame of the colony.

Mr. STEPHENS said it seemed to him that the honorable member for the Mitchell had forgotten the difference between the Barcoo squatters and the Darling Downs squatters; and he thought the outside squatters always allowed themselves to be led away by the Darling Downs squatters. Now this thirteenth clause of the Bill, as sent down from the Legislative Council, shewed the purely squatting idea. It was a most singular thing that always when they came to deal with the land question in that House, it was always urged by honorable members opposite that it was the squatters that were to be considered. There was nothing to be done for any other interest in the colony, or for the settlement of population; nor was the general prosperity of the colony to be considered, but only the interests of the squatters, who held the lands in their occupation on the condition, distinctly specified, that they should be given up whenever they might be required for other than pastoral purposes. Now one of the strongest conditions, which was always insisted on by the English Government up to the time that the lands were handed over to the management of the

colonial Parliaments, was, that the lessees should hold the lands only until they were required for settlement; and one of the terms of their lease was that they should give up the lands when they were required for the settlement of population. The squatters had no claim whatever to compensation under their lease; but, notwithstanding that, the Act of 1868 gave them a right of pre-emption for permanent improvements; and now, when it was proposed to resume eight square miles on certain runs in the Downs and in East and West Moreton, they asked the power to pre-empt to the further extent of two square miles on account of resumption. The honorable member for the Western Downs had said, that this would not be compensation at all, and that it only placed them on the same footing as other members of the community with respect to the land, which was, that they could purchase it as anyone else could by paying for it; and that, therefore, there was no advantage or compensation in it. Well, admitting that to be the case, and admitting that they would have to pay the same price for the land as anyone else would, it had to be borne in mind that they could take up lands where no one else could; and that was the identical thing which had caused so much ill-feeling between the squatters and the rest of the community—that they were allowed to pick out the best parts of the country, while others were excluded. If it was open to everyone to take up any lands on a run, there might be some fairness; and at any rate he believed there would be very little grumbling; but, at the present time, the power of taking up the best lands was exclusively restricted to the squatters. But even if it had been right to give them compensation for resumed lands, he thought that nothing short of the most utter blindness on the part of the squatters to their own interests, leaving aside the interests of others, could have led to such a clause as this being put in the Bill. This clause proposed to give a right to pre-empt to the extent of 1,280 acres, but it did not say that the whole should be taken up in one block; and, therefore, it would be quite possible for the squatter, in exercising this right, to take up so many acres here and so many acres there, all over his run, taking up the whole of the valuable lands, and shutting out all access to water; and in that way the remainder of the run would be rendered worthless for the purposes of settlement, and so the squatter would secure it to himself in perpetuity. Now, under the Act of 1868, the number of selections which the lessee could take up on his run was fixed, and there was a similar provision inserted in the Pastoral Leases Act of 1869; but there was no such provision in this Bill, and the squatter could spread the total area of 1,280 acres over as many blocks as he pleased. He should support the motion of the honorable the Minister for Lands, that the amendment of the Council be disagreed

with; and he thought it would be the best thing that could happen for the interest of the squatters themselves, that this clause should be struck out.

Mr. JOHNSTON was understood to say that he would oppose the new clause, on the ground that it demanded too much.

Mr. W. SCOTT said that though he approved of the principle of the clause, he would oppose it, because he wanted to see the Bill thrown out.

The motion that the amendment be disagreed to, was then put and carried, on a division, as follows:—

Ayes, 19.	Noes, 4.
Mr. Palmer	Mr. Wienholt
" Walsh	" Buchanan
" Bell	" Royds
" Bramston	" Morehead.
" Thompson	
" Ramsay	
" Lilley	
" Hemmant	
Dr. O'Doherty	
Mr. Cribb	
" W. Scott	
" Handy	
" Thorn	
" Johnston	
" MacDevitt	
" Stephens	
" Edmondstone	
" Clark	
" Griffith.	

THE SECRETARY FOR PUBLIC LANDS then moved—

That the amendment made by the Legislative Council on clause 14 of the Bill, as passed by the Legislative Assembly, be disagreed to.

This amendment consisted of the insertion of a proviso before the original proviso to the clause, and was as follows:—

" Provided that the remaining portions of land held under lease for pastoral purposes after the resumption by the Crown in pursuance of this Act shall be re-assessed for rent and assessment."

If this proviso were agreed to, the effect of it would be an immense reduction of the revenue derivable from the pastoral lands of the colony. Now, the tenth clause of the Act of 1868 said:—

" 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."

Mr. WIENHOLT said he did not think that this proviso was of much consequence either way. He must say that he was not surprised by the division on the last amendment, for he felt sure that the Ministry would never support a clause that would give a certain amount of justice to the pastoral tenants.

HONORABLE MEMBERS: Hear, hear.

Mr. WIENHOLT: He was aware that the present Government were afraid to give anything like even bare justice to the pastoral tenants. He knew that they were afraid of popular opinion, and he regretted that they were so, but he felt sure that they were; and

he also felt sure that the members of the Ministry, or, at any rate, the majority of them, if they had sat on the Opposition side of the House, would not have voted on such a clause in the way they had done. He could believe that the next thing they would see would be repudiation. No one in the possession of property, under lease from the Crown, would be safe for the future; for they now found that the pastoral lessees could be trodden upon, because they were in a minority, and he regretted exceedingly that they should be treated in the way they had been by this branch of the Legislature. As to the motion now before the committee, he would consider it his duty to oppose it.

THE COLONIAL TREASURER said the Government had one advantage over the honorable member who spoke last, and that was, that in the course they had pursued in respect to the principle involved in this amendment, they had shewn a consistency which the honorable member had not shewn; because, when the Bill was before the House, they expressed no opinion in favor of the proposition in this proviso, either when the Bill was under debate for a second reading, or when it was being considered in committee; neither did the honorable member himself, on either of those occasions, say anything upon the subject. The honorable member then hurled no taunts against the Government for neglect of the pastoral tenants; and he should like to know how it was that the idea had since entered the head of the honorable member, that the Government had been regardless of the interests of the pastoral tenants. He would like to know if this was a new idea that had grown up in his own mind, or if it was an idea that had been given to him by some honorable member of the Upper House. If such an idea was in the mind of the honorable member at the time the Bill was passing through the House, certainly it was not in the mind of the Government; and, therefore, they were more consistent, in the course they took in regard to the last amendment, than the honorable member was.

Mr. BUCHANAN said he fully agreed with all that had been said by the honorable member for the Western Downs, Mr. Wienholt, and he could do so freely and with this advantage over the honorable member, that he (Mr. Buchanan) was not interested in a single acre of land on the Darling Downs, and never expected to be. It must be perfectly clear, he thought, to everyone why the clause had been thrown out, but there was no use in speaking, when nothing could be effected by doing so, and, therefore, he would say no more about it.

Mr. STEPHENS said the honorable member for Western Downs had spoken about repudiation; but if anyone would look at these two amendments, the one that had just been negatived, and the one now before the committee, they could not but see that they would constitute a clear and distinct act of repudiation on the part of the pastoral tenants, of

the bargain made with them by the Act of 1868. By that Act, the squatters were allowed to have a ten years' lease of half their runs, but at the same rent as they paid for the whole, and the use of the other half until it was taken up; and now they wanted to repudiate the payment of the amount of rent it was agreed they should pay under the Act of 1868; but the moment they refused to pay the whole rent of the run, that moment they would cease to have any rights whatever. One of the conditions under which they held the lands, was that they should pay the rent for them provided in the Act, and if that amount was altered by a re-assessment, it would be a complete infringement of the Act, and that moment they would cease to have any right to a single acre. Another part of the arrangement under the Act of 1868, was that no lands should be resumed except by resolution of both Houses, and now, when it was sought to resume lands for the purpose of settlement, the pastoral tenants turned round and said that if eight square miles were to be resumed from their runs, they must be allowed to pre-empt two square miles. If the Government were in any way chargeable with repudiation in doing that which the Act provided for, certainly the pastoral tenants were not free from the charge of a desire to repudiate to a far greater extent by endeavoring to have amendments, such as the one that had been disagreed to, and the one now before them, inserted in the Bill. Now, either of the amendments—the further right to pre-empt, or a re-assessment of runs—would be decidedly an act of repudiation. He hoped the motion now before the committee would be agreed to.

The SECRETARY FOR PUBLIC WORKS said that because the Government had felt it necessary to carry the motion that was last before the committee, that was no reason why honorable members should listen complacently to the false teaching of the honorable member for South Brisbane; and he maintained, that for that honorable member to say that there was any compact between the Government and the pastoral tenants of the Crown in the matter of the passing of the Act of 1868, was false teaching; for there was no compact at all with the squatters. They were forced to submit, and they were obliged to accept of the terms that were offered to them or quit their runs in twelve months; and he protested at the time of the passing of the Act of 1868, against such an interpretation being put upon it.

Mr. WIENHOLT said the honorable the Treasurer had taunted him with not having brought this idea before the House previously, and with having got it from the Council; but it was well known to many honorable members, that when the Bill was before the House for a second reading, he felt strongly that the Government had no right to ruin the pastoral tenants, which they would do by depriving them of a portion of their runs, without grant-

ing them compensation. He held the same opinion now, and he considered that it was a bad thing to place in the hands of any Government the power to ruin any individual by a mere stroke of the pen; and he knew that many persons would be ruined under the provisions of this measure.

Mr. MOREHEAD said he quite agreed with the whole of the remarks which had been made by the honorable member for the Western Downs; and he was sure that if the members of the Ministry were not members of the Ministry, they would have voted in the opposite way from what they did in the last division. He thought it came with very bad grace from the honorable the Treasurer to taunt the honorable member for the Western Downs for not calling attention to this question when the Bill was before the House for a second reading. The principle of compensation had been brought before the Ministry, not only by the honorable member for Western Downs, but by himself, and they considered it to be only a matter of justice. It would have been better, he thought, that the Government had said that they did not believe in it, than say that they would not support the amendment of the Upper House. The honorable member for Western Downs was quite right to support it in every way in his power. He regretted the Ministry had not seen it right to give the squatter what would only have been even-handed justice. It might be hoping against hope that honorable members opposite would yet see they had made a mistake; and that they would yet give the squatters compensation for the lands resumed, which would only be fair, and would only be just; but whether they did or not, he believed the day would come when those gentlemen would bitterly regret that they had introduced the thin end of the wedge of repudiation.

Mr. MACDEVITT said it was rather refreshing to hear the honorable members for the Warrego, the Western Downs, and the Mitchell, speak of the Government in the way they had done, after the strenuous support they had given the Government throughout the session. The honorable member for the Western Downs had spoken about repudiation, but he (Mr. MacDevitt) hoped that the only repudiation they would ever see in this colony would be the repudiation of that class of politicians who looked upon the colony as being in the same condition it was in when it was first taken possession of by the squatters, and when it seemed that the leases they then obtained would be allowed to run on for ever. It would almost seem, by the speech of the honorable member, that this Bill would strike an awful blow to the district which he represented; but he questioned whether the honorable member, occupying the position he did, should have voted on a question of this kind at all. If it was the opinion of the honorable member that the

Government had not acted honestly, he had certainly expressed that opinion in very strong terms. Now, the fact on the other side of the question was, that practically the squatters wished to become as it were the freeholders of the lands which they now occupied under lease; but that was a consummation to which the deliberations of this Assembly were not likely to tend; and he hoped the honorable member would cease to predict the woes that would fall upon the country, unless his views should be acceded to.

The motion was then agreed to without division.

On the House resuming,

The CHAIRMAN reported that the committee had agreed to the first amendment, and had disagreed to the other amendments made by the Legislative Council in the Bill.

The report was adopted, and, on the motion of the honorable the SECRETARY FOR PUBLIC LANDS, was ordered to be transmitted to the Legislative Council with the usual message.

LOANS CONSOLIDATION BILL.

The COLONIAL TREASURER moved—

That the House resolve itself into a Committee of the Whole for the purpose of considering the amendments made by the Legislative Council in this Bill.

Question put and passed.

The House was put into committee.

On the following amendment, which was an addition to clause 6 of the Bill, being read,—

“And that the price to be offered in such advertisement for the debentures of the two loans first named in the schedule shall not be more than pounds in excess of the price which may be therein fixed for the debentures to be issued under authority of this Act and that the price to be offered for the debentures of the remaining loans enumerated in the Schedule shall not be more than pounds in excess of the price in like manner fixed for the debentures to be issued as aforesaid.”

The COLONIAL TREASURER said that the Legislative Council had introduced into the Bill the clause, which had just been read, as a restriction clause in regard to the rates at which the Government might sell and purchase debentures under the Bill. Now, he would admit that he should have preferred to have seen the Bill pass without any such restriction; but on considering the importance of the measure—the advantages of passing it at the present time—and the close relation which it bore to the Loan Bill for public works, which was about to be passed by the House, he had felt it his duty to ask the committee to accept the amendment. And he did so because he feared that, if the amendment was rejected, it would have the effect of throwing out the Bill during the present session. He thought that there were some honorable members who had not, as yet, realised the advantages which would accrue to the colony from the passing of the Bill at the present time. He

might, however, take credit for having given it a longer, if not a wiser, consideration than most honorable members, as it had been for a long time a subject of consideration with the Government; and more particularly with himself, as Treasurer, during a previous session. He would now give his reasons to the committee for filling up, in the manner in which he proposed to do, the blanks which had been left in the amendment sent down by the Legislative Council. Now, assuming 5 per cent. to be the value of money, they proposed to issue 4 per cent. debentures, which, if payable forty years hence, would be worth 82·8; and, if payable fifty years hence, would be worth 81·8. The value of the 6 per cent. outstanding loans was as follows:—The value of debentures due in 1884 was 108·3; the difference at forty years was 25·5, and at fifty years, 26·5. The 6 per cent. debentures due in 1885 was 108·8; difference at forty years, 25; at fifty years, 26. The value of the debentures due in 1891 was 111·6; the difference at forty years, 28·8; at fifty years, 29·8. The debentures due in 1895 were worth 113·1; difference at forty years, 30·3; at fifty years, 31·3. The average difference in value between the outstanding debentures of the two first loans and the proposed 4 per cent. debentures was, therefore, about £26; and between the new loan and the longer dated 6 per cent. stock about £30. Assuming that the Government would reserve a margin of profit, of say 3 per cent. in favor of the colony, it was proposed to fill in the blanks in the amendment of the Council with two sums, the first with £23, and the second with £27. The amendment of the Council would then read as follows:—

“And that the price to be offered in such advertisement for the debentures of the two loans first named in the schedule shall not be more than £23 in excess of the price which may be therein fixed for the debentures to be issued under authority of this Act and that the price to be offered for the debentures of the remaining loans enumerated in the schedule shall not be more than £27 in excess of the price in like manner fixed for the debentures to be issued as aforesaid.”

That would give an increase to their debt of £1,022,553, and an annual saving of interest to the colony of £32,375. Of course the financial agents, whom the colony would entrust with the consolidation of the loan in Europe, would have power to offer such better terms in the interest of the colony as they might deem advisable. For instance, the agents might be able to sell the new debentures at 90, and retire the existing stock at 113 in one case, and sell at 90, and retire at 117 in the other case. Those were the considerations and calculations which had induced him to propose filling up the two blanks with the two sums of £23 for the first portion, and £27 for the second portion. What he meant by the first and the second, or latter portion was—as some honorable members might be aware—that there was a great

variance between the dates at which their present debentures fell due; and he had apportioned them into two lots, putting the short-dated debentures in the first lot, and the long-dated debentures in the second lot. He thought that would at least serve to satisfy the minds of honorable members of that Assembly who referred to that subject when the Bill was before the House—it would satisfy them that at least no loss would accrue to the colony. He thought the Bill would have been quite as safe in the hands of the Government or in the interests of the colony, if that clause had not been introduced, and the matter allowed to rest in the hands of the Government. It was, however, an additional measure of safety which the Legislature desired sometimes to introduce. There was nothing in it, however, that should deter the Government from accepting it, and nothing in it that would in any way detract from the position of the agent of the Government entrusted with the negotiation of the consolidation, if it ever should come to that, in the London market. All that could be said in opposition to it was, that so far as their experience went of Bills of a similar character, it was unusual to introduce such a provision into a Bill of this kind. On the part of the Government, however, he felt it his duty, for the reasons he had stated, to express his intention of accepting the amendment. He would move—

That the blanks in the clause he filled up in the manner proposed, and the amendments of the Council agreed to.

Mr. BUCHANAN said that it was his intention to move an amendment. He was very glad indeed that the Bill had been sent back to that House with amendments, because that might have the effect of causing the Bill to be withdrawn during the present session, which, he thought, should be the result. At any rate, honorable members might be able to introduce amendments, by which, if the Bill did no good, it would, at any rate, not be able to do much harm—which, in its previous form, it might readily have done, and to an enormous extent. He looked upon the Bill as one under which—if there was exercised by the agent at home the slightest mistake, stupidity ignorance, or dishonesty—the country might readily lose half-a-million of money; and the Bill should not, therefore, have been hurried through in the extraordinary manner in which it had been. He would ask honorable members, who of them as private individuals would rush into heavy money transactions without first giving them due consideration, and endeavoring to at least understand what the result would be? It was, therefore, their duty, as representatives, to give such a measure of importance as that before them proper consideration, although it was public money they were dealing with instead of their own. He would ask, what had they seen? Why, the second reading of the Bill

was brought suddenly before them at half-past ten o'clock at night—on a Friday night, he believed—after honorable members had been sitting all day, and then it was hurried through before any honorable member had time to give it any consideration. On that occasion, he had quoted a few figures which he had hastily worked out in the House, and which, with the permission of the committee, he would now repeat. So far as the figures went—worked as they were on simple interest—they were correct; but, as he had stated at the time, they had to be viewed as of the crudest, as, owing to the want of time, they were drawn up without reference to compound interest. His figures were, that 6 per cents., due 1891, value, say, 112 ex dividend, would give interest per cent. per annum 5·35; from which had to be deducted depreciation per annum for premium stock, depreciating in 18 years from £112 to stock £100·66, making a net return per cent. per annum of 4·69. Again, 4 per cents., due in, say, 40 years, value, say, 90 ex dividend, gave interest per cent. per annum 4·44; to which had to be added enhancing value per annum for discount stock bought at 90, worth £100 in 40 years, ·25; making a net return per cent. per annum of 4·69. Thus it would be seen that, excluding commission and interest, an investor in 6 per cents., 18 years' currency, at £112, would be in exactly the same position as one buying 4 per cents., 40 years' currency, at £90. Since he had made those calculations he had taken the trouble to work out the question with proper compound interest taken into account, and he found as follows:—That 6 per cents., due in 1891, bought at 112 ex dividend, would give interest, as he had before stated, namely, 5·35. The deduction to be written off was actually, per annum, ·51. Total net return per cent. per annum, 4·84. 4 per cents., at 40 years, at 90 ex dividend as previously calculated, 4·44, addition for enhancing value in time at ·25 per annum was ·09, making a total net return per cent. per annum of 4·53. Thus a difference was shewn in favor of the 112 premium stock of ·31 per cent., or one-third per cent. per annum. Now that looked, no doubt, to honorable members a mere bagatelle, but the great difference it made in the value of stock tended to shew how a very trifling decimal error—or an error through stupidity—might lead to a fearful loss to the country. With a view to shew that, he had worked out the rates at which 4 per cents., with 40 years' currency, should be exchanged for 6 per cents. with 18 years' currency. Now, taking the 6 per cents. at 112, yielded net interest per annum, exclusive of depreciation and amount written off, 4·84; against which 4 per cents., with 40 years currency, bought at 85, would yield interest 4·70; and added to that the annual value of 15 per cent. discount stock, enhancing to £100 stock in 40 years ·15, would give a total of 4·85. Therefore, the differential

rates between buying the 6 per cents. at 112, and selling the 4 per cent. stock, should be 27, or in other words 85 against 112; that was assuming, however, that no commissions, and no expenses in any shape, were to be incurred in the exchange of scrip; and, as honorable members were all aware, an affair of that kind, extending, as it would have to do, over many years, could certainly not be carried out under at least one per cent. expenses. Then he came to what appeared to him to be the most extraordinary part of the whole scheme, but no doubt the honorable the Treasurer, who was *ex officio* the financial authority of the colony, would be able to explain it to the committee. He believed that that honorable gentleman had, for months past, long after other honorable members had retired to their rest, sat up, consuming the midnight oil, studying over the question. Well, after all that work, the honorable gentleman's tables shewed that an enormous profit was to be made by selling the 4 per cents. at £80, which debentures the honorable member's own tables also shewed to be worth only 84; although by his (Mr. Buchanan's) calculations they were worth 85. Now what he wanted to know from the honorable member was, where the people were to be found who would rush to the agents for the colony to offer £90 for every £85 the colony offered them. He should like to meet with such people, as they would be worth dealing with—but he very much feared they would not be to the fore. Honorable members might rely upon it, that persons who invested in debentures did not enter into such affairs in a rough and tumble way; they either worked out details for themselves, or they employed regular money brokers, whose business it was to see that their clients would not make an exchange unless there was some *quid pro quo*—some profit to be gained by it. Well, if they made any profit, it must be made from some quarter—it must be made from the colony, and, of course, what they gained the colony must lose, besides having to pay in addition all commissions, and expenses and pickings of various descriptions. He would ask the committee, what would be gained? All that would be gained would be by simply carrying out a hobby, and it was well known that one always had to pay dear for that. They must also bear in mind that they had already a large loan to float, and that, therefore, their hands were full enough—that loan could be a 4 per cent. loan; and by the time that 4 per cent. stock was well known on the London market, the Government could then, if they thought fit, consolidate their previous loans. There would be many advantages gained by deferring the consolidation. In the first place, it was a well-established fact that any new stock, at new rates, took a long time to become a favorite with investors; they fought shy of any new rates until they were well known, so that, for the first eighteen months, or, perhaps,

two years, it would not be advisable to put more 4 per cents. forward, than the loan requirements of the colony rendered necessary. Last time he was in England, about four years ago, the New Zealand loan was on the market, and from what he heard and saw then, he did not believe that to the present day, one-half of the debentures of that colony had been consolidated. He quite believed that if the Government held on, in future years they would see the 4 per cents. up to 95, and possibly near par. And why not, he would ask? For there were really no better securities in the world than those of Queensland, although the world might not see it exactly in that light. When the Bill was last before the House, the honorable member for Western Downs (Mr. Wienholt) was laughed at because he ventured to compare Queensland securities with those of India; but he quite agreed with that honorable member; and indeed he would go farther, for he deemed them safer securities. It was true that the interest on Indian stock was under virtual guarantee of the Imperial Government; but it was only a virtual guarantee, as it was out of the Indian revenue. But what would be the case if England lost India?—What if, as at any moment might be the case, a fresh mutiny broke out? Where then would be the Indian securities? What if a mutiny broke out which was more successful—to use such a word—than any previous mutiny? Even comparing consols with Queensland securities, he considered they had nothing to be ashamed of; for the grand mineral discoveries which were being daily made, must make the colony, sooner or later, one of the richest countries in the world. Well then, assuming that their means were adequate to meet their requirements, who could then question their additional security? At any moment a European war might break out, which would necessitate the severance of these colonies from the mother country, and they would thus be secure from the risks of war that might shake the security of even British consols, inasmuch as in Europe they would have plenty to do in protecting themselves, without interfering with the colonies, which would be neutral. He had no doubt honorable members would think he was wandering from the question, but his object was to shew how sound their securities were, and of what enhancing prospects; and that, therefore, they ought not to hurry on consolidation. He would instance the policy of a waiting race by figures taken from the Financial Tables for 1873. There, in page 59, they would find that £1,170,950 of debentures due in 1891, yielded only £1,054,340—or, in other words, £90 Os. 10d. for every debenture which now sold for £112—thus shewing that in every £90 received by Government, the colony had lost £22, or 24½ per cent. Well, then, he would repeat, let them wait, and not put more stock in the market than their loan requirements com-

pelled them to. He intended to move that figures be inserted in the blanks of the amendment, which would, if carried, put the Consolidation Bill into such a shape that it would, at any rate, do no harm. He would move—

That the first blank in the amendment of the Legislative Council be filled with the words "twenty pounds," and the second blank, with the words "twenty-four pounds."

Mr. HEMMANT said he thought the whole course of the present discussion shewed that the measure was rather premature; and he thought it would be a general relief to the committee, considering the late period of the session, if the Bill was withdrawn.

The COLONIAL TREASURER rose to a point of order. The committee were now discussing an amendment made by the Legislative Council, and he would ask whether the remarks now being made by the honorable member were in accordance with the rules of the committee?

The CHAIRMAN thought that in a case like the present, honorable members should confine themselves to the one clause before them.

Mr. HEMMANT said he would call attention to another point of order—whether the Upper House could make any amendments, as it was a money Bill? He would not, however, raise that question at the present time. He must say that he thought the Council had done good service in the present instance, although he denied their right to interfere at all—by fixing in a more definite manner the profit or loss that would be made by the transaction. Now, when the Bill left the House on a former occasion, he understood that it was the intention of the Government to sell at 90 and purchase at 108 to 113, according to the date of currency, and that a profit of £1,000,000 was to be made by the transaction; but it now appeared, according to the figures of the honorable the Treasurer, that instead of converting at 90 they were to get only 85.

The COLONIAL TREASURER: No.

Mr. HEMMANT: The amendment proposed that there was to be a difference of 23 and 27 between the buying and selling rates.

The COLONIAL TREASURER said he had stated that the agent could do better if he proposed.

Mr. HEMMANT: It was proposed by the schedule that he should do considerably worse. He thought that the remarks of the honorable member for the Warrego were deserving of the consideration of the committee, and he agreed with everything that had been said by the honorable member with the one exception—that of the security offered by the colony being as good as Indian stock. The question was not what the colony considered good, but what the people at home chose for investment, and he should be surprised if any person at home looked upon Queensland securities with the same favor

as Indian stock. For, even supposing, as the honorable member mentioned might be the case, a mutiny—a successful mutiny—did break out in India, or supposing England was involved in European war, it would not make the difference in the stock the honorable member imagined it would. It was absurd to suppose that, because Indian stock stood at a certain rate, that our stock, which was in reality quite as safe, should range as high; because the fact was, that the London money lending public did not look upon them in the same favor. He believed that, for the most part, the persons who invested in Queensland stock were persons who had friends in the colony, and who knew the value of money there; for he would guarantee that if a person went home and took the first twenty persons he met, one-half of them would not know where Queensland was. He thought that if the honorable the Treasurer withdrew the Bill until the next session, it would be a very advisable thing to do, as by that time he would be in a position to know how the new loan had gone off. The House would then have plenty of time to go fully into the subject, and would have the benefit of the new loan to guide them in their consideration of consolidation. That was a work which would require considerable time to carry out, and one which could be very well postponed for some time longer.

Mr. STEPHENS said he had supported the second reading of the Bill, although he then stated that he believed that the calculations of the honorable the Treasurer were to a considerable extent fallacious. Since he had heard the honorable member's remarks that evening he must say that he had been rather shaken in his opinions of the Bill; and now, when it was proposed to fill up the blanks in the amendment of the Council in the manner stated, he had come to the conclusion that the wisest thing would be to throw out the Bill altogether. If that was not done, honorable members might make up their minds that they would be let in for an increase of another million to their debt, without gaining any advantage therefrom, as they heard the most fallacious calculations from the very honorable member who was to be entrusted with the carrying out of the scheme. If the committee would refer to the tables, they would find that the ultimate profit at the end of forty years from the consolidation would be one million, and at the end of fifty years one million and a-half. Now, he wanted to know how on earth the calculation of profit for the last ten years was arrived at? Was it to be made by their taking up their debentures now at a high premium, which, if they waited a few years, they could obtain at par? Now, an honorable member, on looking at the table, when the second reading of the Bill was under consideration, and seeing the great profit to be made by the colony in fifty years, said to him, "Why, this is grand; if the calculation is only kept up long enough, the debt will

be wiped out altogether." And that, in fact, was the result of it; that if they only kept up the calculation, and only made it long enough, they would get rid of the whole debt.

THE COLONIAL TREASURER: Well, that is a fact.

MR. STEPHENS: Why, it appeared that even the honorable gentleman who would be entrusted with the negotiations, was of opinion that that would be the effect of it; he certainly thought, when the committee heard such a fallacious statement from that honorable gentleman, they should be very careful how they proceeded in the matter. He believed, however, that if the consolidation was carried out as proposed, instead of having a debt of little over three and a-half millions, they would have one of five millions, and nothing gained by the colony either; then, how were they to make such a stunning profit that they would get out of debt? The honorable member for the Warrego had given them a great many figures which he stated to be true; but he (Mr. Stephens) would endeavor to shew, in a few words, where he differed from the calculations which had been made. He would first of all say that he differed *in toto* from the honorable the Treasurer in carrying those calculations of profit beyond the date at which their outstanding debentures would fall due. There were two separate items to be considered in the calculations. One was, what was to be gained to the colony by issuing premium debentures at a high rate per cent.—namely, 6 per cent.—and the other was, what was the profit accruing from the issue of discount 4 per cent. stock? Now, it had been stated that the market looked with more favor upon low-priced stock than upon high premium stock; and there would, no doubt, be, on that account, considerable advantage in issuing their new loan at 4 per cent., rather than at 6 per cent. The same thing was to be gained by delaying a fresh issue to take up existing debentures until they fell due, unless, indeed, exceptional causes arose—such as their becoming due in the middle of a panic, the probability of which was not very great. They knew very well that, at the end of eleven years, the debentures of their first loan would be taken up at par, for which they now proposed to give 110 for two years. In order to do that, it was proposed to add 30 per cent., or nearly one-third to their indebtedness. Now, he contended that the only safe calculation of profit, was to cease the calculation at the time their outstanding debentures fell due. For, so surely as they followed out those over-sanguine and fallacious calculations, so surely would they let the colony in for an unnecessary debt. He totally objected to the calculation of compound interest, and would do away with it, as the thing was too far off altogether, and too difficult to get at. Supposing they raised the same amount of revenue that they were raising now, they would only spend it in ex-

travagance; because they were not in the same position as trust accounts were, the saving of interest on which, every year, was put out at fresh interest. Supposing that, under the best of circumstances, they got their taxation reduced, it would then be left in the pockets of the tax-payers, and it would be said that they got the benefit of it. But, the honorable the Treasurer had no business to take that into his calculations, for, so surely as he did, he would get into absurd calculations, which would lead to loss on the part of the colony. He had taken a somewhat shorter view of the matter than that taken by the honorable member for the Warrego, but he believed it would answer his purpose, and that he would be able to explain what he meant to the committee. He found—assuming the figures of the honorable the Treasurer to be correct—that supposing they could consolidate their whole debt at 90, the total saving of interest to the colony to the end of the time he had specified should be £616,000; whilst the addition to the debt, issuing the low-priced debentures, would be £420,704, leaving a profit from the transaction of £119,000. The whole of that profit, however, would be swept away, if they consolidated at the rates mentioned by the honorable the Treasurer; and so sure as they adopted the figures of that honorable member, so surely would there be a loss to the colony. He should vote against the amendment now proposed by the honorable the Treasurer, and then, when the whole amendment made by the Council was put, he should oppose that; because he thought it would be a most suicidal thing to do, to put the limits in the Bill which, he took it, would have to appear on the London Stock Exchange. He thought it would be suicidal to state the limits on that account, for, in the first place, it would let the brokers at home know the limits of the Act; whereas it would be far better that the agent for the colony should appear before those gentlemen unlimited, and that they should have to deal with his discretion, rather than with the instructions given to him; any margin would most certainly decide the terms they might offer. He thought it would be very advisable that a resolution should be passed by both Houses, enabling the Government to fix the limit, as he considered it was the duty of the Government to take that responsibility upon themselves. The Act itself should be left unhampered, and as free as possible.

MR. WIENHOLT said that, without doubt, the measure now before the committee was the most important which had been before it during the present session; and he quite agreed that it was a most dangerous one, inasmuch as the slightest mistake on the part of the agent, or of the House, might entail on the colony a loss of half-a-million of money. The attention of honorable members had been directed to the New Zealand consolidation loan as an example for them to be

guided by; but he would point out that that was on an entirely different footing from the debts of this colony, as in New Zealand it was a consolidation of the debts of the various provinces, which it was found necessary to have carried out. He wished to point out that it was most desirable that the new 4 per cent. loan should be issued, and launched fairly on the market before they entered upon such an important matter as the consolidation of the debts of the colony. They could see by the figures of the honorable the Treasurer, that there was a great probability of a serious loss to the colony, by the passing of the measure at the present time. They had been told by that honorable member, that in order to effect the scheme it would be necessary to increase their indebtedness to the extent of £1,022,000; and that the amount of compound interest saved, supposing the debentures were sold at 86, would, when the debentures fell due, be £671,000. There would, therefore, be a clear loss to the colony, at the time of the debentures falling in, of £372,000. That was, supposing that the debentures were only at par; but, as he had said before, he believed that before eleven years, when they became due, the 4 per cent. debentures issued now, would be above par. If, however, they went into the proposed little transaction of consolidation, they would lose at the end of the time, £372,000. And he would ask honorable members to consider whether for the sake of saving a little taxation, they should impose such an immense burden on the colony? The honorable member for East Moreton, Mr. Hemmant, had stated, in regard to the question of the value of our debentures at home, that it depended upon the appreciation of the money lenders there; but he (Mr. Wienholt) maintained, that Queensland debentures were continually rising and getting into favor with the people of England; and that before long they would hold as high a position as any stock in the world. They were equal to the Indian stock, the 4 per cents. of which were at present quoted at 102. He had pointed out to the House when the Bill was before it, that he was in favor of irredeemable stock, and he believed now, that it was the best. It might be said that that was an innovation, but somebody must start it; and, therefore, he hoped that the honorable the Treasurer would not be ashamed of setting the example in that respect—after all, it was nothing new at home. Supposing, for instance, they issued irredeemable stock at 68 and 70, it would be an enormous benefit to the colony, as it would be stock that would not be likely to be premium stock for several years—and the committee had had pointed out to them, that the great fault of 6 per cent. stock was, its being premium stock. During the last few years they had seen colonial stock rising very high at home; and how the honorable the Treasurer thought that the debentures would remain for the next twenty years as they were

at present, he could not imagine. He had warned the House against passing the present measure when it was before them, and he would now move as a further amendment—

That the Chairman leave the chair.

The COLONIAL TREASURER said that he had listened very attentively to the arguments put forward by honorable members on the amendment made by the Legislative Council in the Bill, and he must say that none of them appeared to him to bear upon the question. The whole principles of the Bill, which had been agreed to by the House on the occasion of the second reading, appeared to have been now raked up by honorable members who then supported it in the most irregular manner. The honorable member for South Brisbane had, for instance, given the second reading of the Bill as hearty a support as he now gave it a no less hearty opposition. Now, with all due deference to honorable members, he thought the discussion which had taken place was not quite regular, but that they should have simply confined themselves to the amendment which had been proposed in the Bill. They were not now on the second reading, but had the one specific object before them, which was the amendment made by the Legislative Council; and honorable members, in going into the general question, had taken upon themselves the much more easy task of throwing down edifices, instead of building them up. Now, the present question had been for so long in the minds of the officers of the Treasurer's department, and they had seen the arguments of many opponents, who came forward with figures "which could not be denied," in a short time tumble down, much more easily than they were built up. He had seen so many professional actuaries who had looked upon their calculations as beyond doubt, and were then wrong; that when he heard the honorable member for the Warrego backing his figures as being more correct than Mr. Laurie's calculations, it had struck him that the honorable member had left himself open to a considerable amount of criticism. It was some time since that honorable gentleman had given his figures, but he (Mr. Bell) held them in his hand, and he would still say that they were not correct. There was no doubt that that honorable member had absolutely influenced the mind of an honorable gentleman in another place by his false figures, the result of which was the amendment in the Bill. It was, no doubt, very easy for honorable members to attempt to upset figures that had had the best criticism and calculation, and which had withstood more formidable attacks than had been made on them by that committee; but he would prove that those attempts were not well based. The honorable member for the Warrego would, no doubt, himself, consider that one of the best Treasurers to deal with a question of this kind, would be one who had the

powers of calculation which the honorable member himself had. Now, if there was anything so little suited to the position which a finance Minister in this or any other colony could be possessed with, it would be his having a belief in his own figures such as the honorable member for the Warrego had in his own. But, what would that result in? It would be that the Treasurer, instead of going and employing an actuary, would be undertaking to do what the honorable member was not, himself, capable of doing, and that was, working out the principles on which the calculations were carried out. The honorable member had made certain calculations of his own, but he had made them upon a wrong principle, and consequently his figures, as calculated, were wrong. The figures of the honorable member shewed that he had omitted in his calculations to include compound interest. Now, he maintained, that anyone who felt himself capable of entering on a calculation of this kind, should not have done so.

MR. BUCHANAN: I said so at the time.

THE COLONIAL TREASURER: He had the figures which the honorable member made use of, and which he amended and gave to the Under Secretary to the Treasury on Friday evening last.

MR. BUCHANAN rose to a point of order. He denied that the figures which he gave to Mr. Drew were given to him as amended figures. That gentleman asked him last Friday night to give him the figures that he (Mr. Buchanan) had used on the first night the Bill was before the House. He complied with that request, and stated to Mr. Drew at the time he gave them to him—as he had previously stated to the House at the moment he brought forward the figures—that they were of the crudest, inasmuch as they had only been hurriedly jotted down in the House on simple interest calculations, and that he had not had time to amend them to the necessary compound interest shape.

THE COLONIAL TREASURER: Well, the honorable member gave them to the Under Secretary to the Treasury on Friday night, and he would ask him, why did he allow them to remain in a state of crudeness till then? Now, the preparation and working out of calculations and questions of this kind, as almost everyone knew, was a profession by itself, and he maintained that there was not a single member of that House who could go into those figures as a professional actuary would do; and, in fact, he believed there were not more than one or two men in the colony capable of going into them in the way that a professional actuary would. The honorable member was, no doubt, satisfied in his own mind that he had built up an argument sufficient for the rejection of the Bill; but that argument was, he maintained, based upon a set of false figures. He could not agree with those honorable members who recommended that this Bill should be postponed till next session for further considera-

tion; and he also objected to the Loan Bill going home at the close of this session and being made a first step towards trying the market. The two Bills, he thought, ought to go at the same time. He had no doubt that they would work well together, and would be of service to each other. He would refer to the Loan Bill as being only an experiment in the way of consolidating their debt. They proposed to place the loan on the market at 4 per cent., which was a lower rate than they had ever yet tried; and, therefore, the placing a loan at that rate on the market, was only an experiment. Now, if they were to hold over their proposed public works, until they ascertained if the loan would be taken up at 4 per cent., they would cause greater delay in proceeding with those works than there ought to be. The proposition he would make was this: that the two Bills should be sent home and placed together before the Stock Exchange; and, as he believed, they would be readily taken up, because he had no doubt that the debentures of the colony were depreciated in consequence of their various dates, and also the shortness of the dates of some of them. Now, the arguments which had been made all round, were arguments against the principle of the Bill. By the way the Bill had been attacked in the House, by arguments founded on the false figures which had been brought to bear upon the question, they might go on arguing upon it for ever; but to argue upon figures brought down by an honorable member, upon figures that were not correct, but were only assumed to be correct, was not the way in which a measure of this nature should be met. This question and the figures, and also the tables which had been prepared in connection with the Bill, had been before the House and before the country, and they had never been attacked before in the way they had been attacked to-night. The basis of the arguments which had been advanced against the Bill was by no means a fair one, but it was one that might be looked upon as a very ready way of catching votes against the Bill. Now, he was prepared to say, from all the information he had obtained, and the very valuable opinions he had received as to the figures set out in connection with the Bill, that the figures of the Government were perfectly correct; and, therefore, the assumed accuracy of the figures of the honorable member for South Brisbane, and of other honorable members, inasmuch as they differed from those of the Government, could not be correct. And he would now ask the honorable member for South Brisbane, why he should say that calculations as to debentures extending over fifty years should terminate at the end of the present debentures? The figures shewed the calculations up to the due date of their present debentures, and then further calculations up to the end of the proposed term; and he would again ask, why they should terminate at the end of the present debentures? Now, there was a

fallacy he would desire to point out, and it was this — that honorable members had chosen to satisfy their own minds that there might be a loss to the colony if this Bill should pass. Some honorable members had assumed a set of figures that were not standing on a basis that would bring about a useful calculation against this Bill; but nothing had been shewn by those figures that would interfere with the figures of the Government. He was perfectly satisfied that nothing could be said in regard to this measure that would influence the minds of honorable members who had spoken to-night against it; because he had traced the opposition that had been made to it in the other branch of the Legislature, and which shewed unmistakably an intention to reject the Bill; but he was prepared to stand on the floor of the House upon this Bill as he would upon any other measure. He did not object to the Bill being thrown out, if it were done in the fair way in which Bills were usually thrown out; but when honorable members had allowed the Bill to pass up to this stage almost without opposition, it was not fair that they should now endeavor to throw it out, and that upon arguments of the kind they had brought against it. He would go to a division on the amendment.

Mr. BUCHANAN said he was sorry to see that the honorable the Treasurer did not understand the figures which he (Mr. Buchanan) had made use of. Now, he could inform the honorable member that he had amended his first figures to the compound interest calculations, and had distinctly stated that he had done so, and had also shewn what difference that made. He had shewn that the amount to be written off yearly for premium stock depreciating should be '51 in lieu of '66, that he had made it in his simple interest calculations. He had pointed out also in the 4 per cents. that the amount to be added annually for the enhancing value of the discount stock should have been, by compound interest, decimal '09, in lieu of '25 which his first jottings shewed; and, he had quoted his original figures along with his amended ones to shew the difference. The honorable the Treasurer had tried to make a great point out of the fact, that he (Mr. Buchanan) had stated that he believed his figures were more correct than if they had been worked out by Laurie's Tables. The honorable gentleman looked upon that statement as an utter absurdity. Now, he had given the honorable the Treasurer credit for having worked out those tables himself; but he did not now believe that he had done so, for he evidently did not understand Laurie's Tables, or he never would have made such a statement as that a heavy calculation like this would be more correct worked by Laurie's Tables than it would be if worked in one sum by decimals. The honorable gentleman had evidently forgotten that Laurie's compound tables were worked only for £1; so that, when by that data they

had to work an amount of millions, and extending, as in this case, over forty years currency, the very slightest decimal difference in the £1 calculations would make a heavy difference on amounts such as they were now dealing with. The honorable the Treasurer had not yet answered his plain question—Where were those people to be found who would give them £90 for what the honorable gentleman himself shewed to be worth only £84? The honorable the Treasurer had stated that the rates ought to be left to the Executive to decide. Now, that might do very well if this were a Crown colony, but it was not the system that they were there to carry out; and it was for the House to decide at what rate any loan should be issued, and also to fix the currency. And, on the same principle, it was that House that ought to decide the rates on which consolidation was to be carried out. He quite agreed with the honorable member for Western Downs, that as all their debentures were steadily rising in value, they ought not to sell more than they were obliged to do; and as the present debentures fell due, let them take them up by issuing 4 per cents., which by that time might be, and probably would be, at 95 at least.

Mr. MOREHEAD said he thought the best thing they could do would be to issue their debentures at 4 per cent., and redeem them as they became due, at the same rate, if they could do so. He believed, also, that they should convert their debentures into irredeemable stock, as it would do away with the objections that trustees had to invest in colonial securities. He had listened with great interest to the speech of the honorable member for the Western Downs, when he said that their stock would never stand as high in the British market as consols, because of the colony being at so great a distance from the home market. But the honorable member appeared to him to have forgotten one thing, and it was this: that there were a great many people in this and the neighboring colonies in whom there was a feeling growing up to invest in colonial debentures, and to them the question of distance would not exist as an objection. And, in addition to that, there were large sums in the banks that the owners were waiting for an opportunity to invest in debentures such as it was proposed to issue. He would, however, support the amendment of the honorable member for the Western Downs; and he regretted that the calculations of the honorable the Treasurer were not such as he could approve of.

Mr. HEMMANT said that, to shew how anything could be proved by figures, he would point out that they were now considering table C—4 per cent. debentures to be sold at 85. For debentures having an average currency of fifteen years, the annual saving in interest until they became due being £29,260, the total saving in interest for the fifteen years would be £438,900,

excluding compound interest; while the annual loss for the next twenty-five years, as compared with what they should have to pay if they consolidated their debt at the end of the present currency, would be £18,145; amounting, in twenty-five years, to £453,625, besides a permanent addition to their debt of £453,567 by consolidation now, instead of waiting until the maturity of the debentures. Now, there was nothing so rosy in that state of things as to warrant them in accepting of the proposition of the honorable the Treasurer.

Mr. RAMSAY said he sympathised with those honorable members who were unwilling to pass this Bill, without being thoroughly convinced of the advantages to be derived from it. Their opposition to it seemed to him to arise chiefly from their not understanding the figures on which it was based, but he could assure those honorable members that the figures were perfectly correct. However, he thought that this discussion would not probably be thrown away. Now, he would like to make a few remarks as to some of the arguments which had been advanced against the measure; and, in the first place, he would refer to what had fallen from the honorable member for the Warrego. That honorable member had said that the honorable the Colonial Treasurer had not answered the question which he put to him, when he asked him where they would find people to buy their debentures. The honorable member for the Warrego had made certain calculations to shew that certain results would follow from buying and selling at certain prices; and, he took it for granted, that the holders of their present debentures would make precisely similar calculations; and that, therefore, they would only deal with them when they could do so on terms favorable to themselves, and unfavorable to the colony. But, the honorable member certainly forgot that there were many reasons why such an arrangement as was proposed, might be acceptable to the holders of their debentures, and, at the same time, favorable to the colony. In the first place, it suited them to issue long-dated securities, and holders of short-dated debentures might be very glad to exchange them for the new issue, and even sacrifice some interest, because they would secure their income for a longer term, and at the same time increase their capital. Again, there were classes of investors who were entirely debarred from purchasing premium stock, but who would gladly take up good securities at a discount, as they would thereby increase instead of diminish the capital invested. But this was so much dwelt on in the former discussion that he would not say more about it, and he only now alluded to it because the honorable member appeared to have forgotten all about it. He quite agreed in what had been said about the soundness of their securities; and if they were to issue a discount stock at a long date it might rise to be one of the best colonial securities in the English market.

They could not, of course, expect that colonial debentures would reach the same price as consols, for people would never so readily invest in stock at a long distance as they would in home stock, or give the same price for it. There were people who, were they to invest in colonial stock, would feel as if they had parted with their property altogether. It appeared to him that the difference between the calculations of the honorable the Colonial Treasurer and the calculations of the honorable member for South Brisbane, and other honorable members who had spoken on the subject, was this, that the honorable the Colonial Treasurer had carried on his calculations to a longer period than those honorable members had done. Those honorable members had only carried up their calculations to the period when the present outstanding debentures should become due. Now he would admit that if they were to stop there the profit would be so trifling that it would not be worth their while to deal with it. If, for instance, they took the last calculation in the tables, they would find that the saving of interest would amount to £856,639, and the increase of debt to the colony to £836,704, so that the whole gain on the transaction would be only £20,000. Now, if they could not do something more handsome than that, they should leave the matter alone altogether. But he could not allow that the calculation ought to stop at that point. The colony had no prospect of paying off those debentures when they fell due, and any calculation which did not take into account the probable terms on which funds could be raised, by the issue of fresh debentures to pay off those falling due, must be manifestly fallacious; and that was what was shewn by tables which had been distributed amongst honorable members relative to this loan. The honorable member for the Warrego, it seemed to him, had not taken into account in his calculations the matter of compound interest, which would alone make a material difference.

Mr. BUCHANAN: Yes, I did.

Mr. RAMSAY: Well, he might be mistaken, but he thought the honorable member had omitted to do so. However, it did not much matter, as his calculations came to be near to those of the honorable the Colonial Treasurer. He thought that if the proposed amendment was put into the Bill, it would spoil it. The Bill would be far better without it. If the amendment were inserted, they would be shewing their hand too much; and it might have the effect of impeding the operations of the agent in England. He would prefer not to see the amendment in the Bill at all. Still, he would be sorry to see the Bill lost; and if the House could agree to a set of figures in substitution of those in dispute, he thought it would be the more prudent plan. However, as the question at present stood before the House, he would support the honorable the Treasurer.

The amendment—That the Chairman do now leave the chair—was then put and carried, on a division, as follows :—

Ayes, 12.	Noes, 10.
Mr. Stephens	Mr. Palmer
" Hemmant	" Bell
" Buchanan	" Thompson
" Wienholt	" Bramston
" W. Scott	" Walsh
" Morehead	" Ramsay
" Clark	" Lilley
" Cribb	" MacDevitt
" Griffith	" Fyfe
" Royds	" Johnston.
" Edmondstone	
" Thorn.	

RAILWAY AMENDMENT BILL.

On the Order of the Day being called on for the resumption of the debate on the second reading of this Bill.

The SECRETARY FOR PUBLIC WORKS said that as there was some doubt as to the way in which the Bill had been brought in, he proposed to re-introduce it in a different way ; and with that view he would now move that the Order of the Day and the Bill itself be discharged from the paper.

Agreed to.

RAILWAY LAWS AMENDMENT BILL.

On the motion of the SECRETARY FOR PUBLIC WORKS, the House then went into Committee of the Whole, and agreed to the following resolution :—

That it is desirable that a Bill be introduced to amend the Railway Laws.

The resolution was reported to the House, and agreed to ; and the Bill was brought up and read a first time.

The SECRETARY FOR PUBLIC WORKS, in moving that the Bill be read a second time, said that the main object of the Bill was to enable the Government to resume lands upon fairer terms than they had been able to do under the present Railway Act—fairer as far as the Government were concerned, and fairer also as far as the holders of the lands required were concerned. The Bill also proposed to encourage the construction of railways and tramways by private enterprise, by granting compensation in land for the outlay in the construction of such works. He believed that this Bill would be found to be of great advantage to land-owners of small means, and it would be of great advantage to the Government, in securing a more rapid and a more just valuation of the lands which they were bound under the Railway Act to take possession of. With the view of securing a fair valuation of the lands with as little delay as possible, the Bill proposed that there should be a railway arbitrator appointed, instead of the former system of having arbitrators on each side, whose decisions, when they were disputed, had to be carried before a magistrate, and so on to the Supreme Court. Now, it was proposed to do away with that system, and to have one arbitrator, who should be thoroughly competent to perform the duty assigned to him, and whose decisions should

not be subject to revision. If the gentleman who might be appointed should possess the abilities which he hoped he would possess, he would not fail to give satisfaction to the country, and to those who would be directly affected by the Bill. The Bill contained one new principle, which, as it was an important one, he would point out to honorable members, and it was this : that the second clause provided that the Government should have no power to spend public money for survey purposes without first obtaining the sanction of Parliament. At present, the Government had extraordinary powers in that respect, and in defiance of resolutions of the House against their doing so, could order surveys to be made at great cost to the country, without the sanction of Parliament ; and an instance of the kind had actually occurred. Some honorable members would remember that Mr. Blakeney, when a member of the House, brought forward a motion for the survey of a railway line between Brisbane and Ipswich ; and, though he was defeated, yet, within a month after the adjournment of the House, the Government of the day proceeded with the survey of the line. He had, therefore, taken this opportunity of providing that no surveys should be undertaken without the sanction of Parliament, and that was his reason for introducing the second clause. If honorable members would turn to the nineteenth clause of the Bill, they would see that the second division of the Bill introduced quite a new principle with regard to the construction of railways, and one which he considered would be found to be of great advantage to the country ; but he would not risk the passing of the first portion of the Bill for the sake of the second. The nineteenth clause provided that the Governor, with the advice of the Executive Council, should be empowered to accept proposals for the construction of railways or tramways, but those proposals to be subject to such modification or alteration of the terms as the Governor in Council might think fit ; and the twentieth clause gave power to the Governor in Council to authorise the entering upon private lands for survey purposes in connection with the construction of railways or tramways by private persons or companies. Honorable members would see that the nineteenth clause only gave power to the Government to enter into preliminary arrangements, but they would have no effect till the sanction of Parliament was obtained. He believed that a provision of this kind would be found to be beneficial to the colony. It invited capitalists and speculative companies to come here and invest their money in the carrying out of great improvements, which would be of the utmost advantage to the colony, on the understanding that if Parliament sanctioned the offers they made, or the arrangements they agreed to enter into with the Government, that then only should they be definitely arranged with. There was

nothing at all in this clause, or in the whole proposal, that committed the Parliament to anything more than to see what companies or private parties engaged to do for land compensation. Honorable members would see that there was no danger run, while there was just sufficient authority given to the Government to induce parties to come here and enter into engagements for the construction of railways, tramways, bridges, and such works as would be of public utility. Now, Queensland would not be setting an example in entering upon this principle for the construction of public works; for the colony of New Zealand, which was so often quoted to them as an example in the way of carrying on public works, had preceded them in that respect. He found that there was a projected railway from Nelson to Westport and Greymouth, a distance of 207 miles, through the richest part of New Zealand, for the construction of which the Government granted 2,000,000 acres of land, and they considered they had made a good bargain in doing so. Now, Nelson had been described by that celebrated writer Hochstetter, as the garden of New Zealand, and yet the company received 2,000,000 acres of land of this description for the making of 207 miles of railway in the province. Then, again, the Government undertook the construction of a line from Auckland to Waikato, and after a time they found they were unable to go on with it; but they succeeded in inducing an English company to step in, and, by granting them large subsidies in land, the railway was brought to a successful termination. To return to Nelson—Mr. Trickett, a gentleman whose name often came before him in connection with railway matters, in England, as well as in New Zealand, was sent out by the Provincial Government to report on the best line for a railway between Nelson and Cobden, with a branch to Westport; and he now had the report of that gentleman before him. After describing the coal and other mineral sections which the line would divide, Mr. Trickett said:—

“11. Before determining upon the general direction of a line of railway, it is necessary that three material points should be kept in view. These points are—

- a.—To have the line as direct between the termini as possible, consistent with proper gradients.
- b.—To adopt the least expensive line.
- c.—To secure the special objects for which the line is projected.”

Well, of course, the large quantity of land that was given was in place of the large amount of money that would have had to be expended in making the railway; and the Government, instead of spending a large sum of money and impoverishing the Treasury, parted with the land which would otherwise have been left to lie idle. In speaking of the nature of the lands that might be required

to be alienated under the proposition for defraying the cost of constructing the railway by grants of land, Mr. Trickett said:—

“77. 38,000 acres may be available for agricultural purposes in the valley of the Little Grey.

“78. The valley of the Big Grey may have 60,000 acres of flat land.

“79. The total flat land may, therefore, be taken at 152,000 acres.

“80. It must be understood that this estimated quantity of flat land, does not include all that exists in the valleys named, but only that which would probably come within the limit of the land proposed to be given to the company constructing the line.

“81. It forms a small proportion of the 2,070,000 acres proposed to be given to the company, and does not by any means represent all the land that will be valuable. Large portions of the land that may be called hilly will, after a time, be fit for pastoral purposes, but to what extent this kind of land exists I am not prepared to say, as in a timbered country, to estimate the extent of the lands suitable for either agricultural or pastoral purposes is attended with difficulty and some uncertainty. I think, however, the gross quantity of flat land I have named will be found to exist; but the survey department of your Honor's Government will be enabled to furnish this with some degree of accuracy.”

He referred to what had been done in New Zealand merely for the purpose of shewing that it was not a new project which the Government proposed to enter upon, inasmuch as the example had been set them in New Zealand, and, as he had been credibly informed, with the greatest advantage. He would now read the clause in the Land Regulations of the Province of Canterbury that bore upon the subject. It was as follows:—

“43. If any person shall contract with the Superintendent to make and complete within a given time any public road, bridge, or drain, or any part of any such road, bridge, or drain, furnishing such security as the Superintendent may require for the due completion of such contract, and shall select such portion of Rural Land as he shall be willing to accept by way of payment or compensation, or by way of part payment or compensation for such work, it shall be lawful for the Superintendent to reserve such portion of land from public sale for such given time, but no longer; and such person shall, on the completion of such contract, be entitled to a free grant of such land, or so much thereof as the Board shall adjudge, not exceeding one acre for every two pounds sterling, which the Superintendent shall certify to the Waste Lands Board to be the *bond fide* value of the work so done by such person, according to the prices for work and materials at the time of performing such contract current in the district.”

He believed that it would be judicious to have a similar provision here, as he was convinced that it would be the means of inducing private companies to make railways, tramways, and bridges where the Government might never think of making them, and which would be of great advantage towards the settlement of the colony and the

development of its resources. Now he would say something about the proposal of Mr. Vickery. He knew that many people thought, and some honorable members thought, that it was for the purpose of securing a large extent of unknown mineral lands that Mr. Vickery made the proposition to the Government that he had done; but, for his own part, he did not believe it was with any such intention of the kind whatever. Indeed, he did not think that any such idea ever entered Mr. Vickery's head. He believed that Mr. Vickery had a large amount of money locked up in the Mount Perry copper mines, and that he considered that the success of the mines there depended wholly upon there being an easy and regular means of transit to a port; and it was because he believed that the only way by which he could get ore brought down regularly to a port was that of a railway or tramway, he had made his proposition to the Government. The first proposition which Mr. Vickery made was a very absurd one, and the Government would never have given such a grant as he then asked for; and he thought that Mr. Vickery could not himself have really expected that the Government would. Now, if the Government could enter into arrangements for the construction by private parties of works that would be of public benefit, by subsidising them with grants of land, he thought it would be the best use to which they could turn some portion of the lands of the colony. As to the land set forth in Mr. Vickery's proposition, he had travelled it so often that he might say he knew almost every inch of that country, and he could conscientiously state that if the whole of it was offered to him at one shilling an acre, he would not take it. It was merely because Mr. Vickery had an enormous amount of money locked up in the Mount Perry mines that he was anxious to make an arrangement by which he could ensure some easy and regular mode of transit to the port. He would warn honorable members not to be led away by the impression that Mr. Vickery was a Sydney capitalist, who merely came to the colony for the purpose of grabbing hold of the lands; as they might thus do an incalculable injury to the colony by preventing the construction of the proposed line of railway. He was a firm believer in the good that might be done to the colony by inviting capitalists to invest their money in it; and he would again remind honorable members that the Government, by the Bill, only asked for power to enter into preliminary arrangements, which must be ratified by Parliament hereafter. Surely, that was not asking too much, when all they were seeking to do was to develop the resources of the colony. He, for one, would be the last to ask that any Government should be entrusted with the power of making final arrangements of the kind; but it was simply his desire, and the desire of the Government, to attract to the colony moneyed men and speculators, who

would be able, whilst serving their own interests, to forward those of the colony to a much greater extent. Honorable members would perceive that ample provision was made in the Bill for preventing loss to persons whose lands might be invaded by engineers and surveyors, or by the agents of those private persons who wished to enter upon the construction of works—such as railways. It would be necessary before the Government could grant any of the powers they now possessed under the Railway Act, that the so-called speculators or private parties should enter into obligations to repair any injury that they might inflict; and, he might mention, that that proviso was made at the instance of the honorable member for East Moreton, Mr. Griffith. But, whatever objections might be urged against that part of the Bill which referred to private individuals carrying out works, he would ask honorable members at any rate to sanction so much of the Bill as would enable the Government to resume private lands for railway purposes, on more favorable terms than had hitherto been the case. He did not think he need trouble the House any longer than by just adding that he was quite aware that the Bill was not perfect; in fact, he should have to ask honorable members, when the Bill was in committee, to allow him to introduce one or two amendments—not of much importance—and also a new clause to follow clause 12, which, whilst of some importance, would not make the Bill more complicated, but would make it more fair, as it would give to each party access to the records of the court. When the Bill was in committee, he would be prepared to fully explain its details. He might say, in conclusion, that so great was the importance he attached to it, that he would have been very loath to pass the Loan Bill, if he thought that the passing of the Bill before them would be endangered.

Mr. CRIBB could not allow the second reading to pass without making a few remarks. He must say that he did not approve of having only one arbitrator, and that officer a judge of the District Court, as he did not think that that gentleman could know much of the value of land. Under the present law, arbitrators went to see the land in dispute; but, according to the fifth clause of the Bill, the Governor in Council would have the power to appoint a person who should be either a barrister-at-law, an attorney-at-law of seven years' standing, or a judge of the District Court. That was a clause which, no doubt, the Government thought would act fairly; but he was afraid that there would be a disposition on the part of such an officer to do what he considered would be favorable to the Government, whilst the person on the other side would have no appeal from his decision.

AN HONORABLE MEMBER: Yes.

Mr. CRIBB: The whole of the Bill referred to that one person—the arbitrator, and according to the twelfth clause, there was no appeal from him. By the present Act any dispute

under £100 could be settled by magistrates, and if over £300, would go to the Supreme Court; but, according to the fifteenth clause of the Bill, it must be of the value of £500 before it could be taken to the Supreme Court. Then, again, the next clause provided that the Governor might remit the case for reconsideration. That clause could be so worked as to make it most unjust—in fact, he considered it was the most unjust clause he had heard of since he had been a member of that House.

Question put and passed.