

Queensland



Parliamentary Debates
[Hansard]

Legislative Assembly

MONDAY, 6 AUGUST 1877

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LEGISLATIVE ASSEMBLY.

Monday, 6 August, 1877.

Native Bird Protection Bill—third reading.—Adjournment.—Destruction of Marsupial Animals.—Financial Districts Bill—second reading.—Destruction of Marsupial Animals Bill—first reading.—Auditor-General's Pension Bill—committee.

The SPEAKER took the chair at half-past three o'clock.

NATIVE BIRD PROTECTION BILL—
THIRD READING.

On the motion of Mr. DE POIX TYREL, this Bill was read a third time and returned to the Legislative Council with the usual message.

ADJOURNMENT.

Mr. STEVENSON said he wished to ask the Honourable the Minister for Works, without notice, whether a telegram, portions of which he would read, and which appeared in the *Gympie Times* of last Wednesday, was an official one sent by him?

"Earl of Derby has officially expressed a fear that the late Russian atrocities will bring about terrible reprisals.

"Suliman Pasha with the Roumelian corps.

"A large party, consisting of members of both Houses of Parliament and others, went down the river in the 'Kate,' to witness the torpedo experiments conducted by Mr. Cracknell, of Sydney.

"The first experiment consisted in the blowing up of a barge nearly half-a-mile distant.

"On the signal being given the explosion which took place was by means of an electric battery on board the 'Laura,' which took place instantaneously, resulting in the entire demolition of the barge. Hundreds of tons water hurled into the air, reminding one very forcibly of the great Gyzers springs in Iceland. A similar experiment was then conducted on a smaller boat, nearer to the 'Kate,' with similar results; although several honourable members considered it rather dangerously near. After these experiments, Mr. Cracknell gave an interesting explanation of the torpedo, illustrated by some cleverly-arranged mechanical appliances illustrative of their action as a method of defence as applied to the entrances of ports.

"The experiments were most successful; the weather was beautiful.

"Amongst other sights worth noticing was the beautiful little yacht belonging to the Honourable A. H. Palmer, and the crew of the Brisbane Rowing Club, who turned out in first-class form, reminding one of the crack crews on the Upper Yarra.

"Sir Arthur Kennedy was on board, and, with his usual geniality, entered into the proceedings. The general arrangements were admirably perfect; and the excellence of His Excellency's cigars is worthy of mention.

"The Honourable H. E. King wishes to send you his congratulations to the School of Mines on the successful opening of the institution, with his best wishes for the future success. The members of Gympie and Wide Bay also send their congratulations and best wishes for the success of the institution."

The MINISTER FOR WORKS (Mr. Thorn) said that if the honourable member would give the usual notice the question would be answered.

Mr. STEVENSON said he begged to move the adjournment of the House, in order to call attention to this telegram, which, he was informed on very good authority, was sent officially on the night of Saturday week. As the Minister for Works had declined to answer the question, he considered it was his duty to propose the adjournment, in order that the matter might be thoroughly ventilated.

The MINISTER FOR WORKS said that on the evening in question the Mining Museum and School of Mines was opened at Gympie, and a congratulatory message was sent from Brisbane by himself, in conjunction with the honourable members for Gympie and Wide Bay, to the committee; and after business hours the telegraph wires were for a few minutes placed at the disposal of the honourable member for Gympie for this purpose.

Mr. KIDGELL, corroborating the honourable gentleman's statement, regretted that the member for Clermont should think it worth his while to waste the time of the House over so frivolous a matter.

Mr. MOREHEAD, after humorously commenting upon the contents of the telegram, said that what he had really to complain of was, that such telegrams should be sent at the public expense. What had the House or the country to do with the Museum of Mines at Gympie, or with congratulatory messages sent by the Minister for Works touching the excellence of the Governor's cigars? If the honourable gentleman or the members for Gympie and Wide Bay wanted to send telegrams to gain popularity, let them do so at their own expense. To all intents and purposes this was a private telegram, and should not have been paid for by the public. The Minister for Works was continually getting himself into trouble about matters connected with telegraphing, and it was much to be hoped that for the future he would keep away from the Telegraph office altogether.

After a few remarks from Mr. KIDGELL, Mr. STEVENSON replied, and withdrew the motion.

DESTRUCTION OF MARSUPIAL ANIMALS.

On the motion of the PREMIER (Mr. Douglas), the House went into Committee of the Whole, and affirmed the advisability of introducing a Bill to facilitate and encourage the destruction of marsupial animals, as recommended by the Message No. 12 of His Excellency the Governor.

On the resumption of the House, the report of the committee was adopted.

FINANCIAL DISTRICTS BILL—SECOND READING.

The COLONIAL TREASURER (Mr. Dickson) said: Mr. Speaker—I desire to invite the earnest and most careful consideration of honourable members to a measure of financial separation, which I am convinced must be now considered necessary, if we wish to maintain the confidence of the remote districts of the colony in the executive administration by a central government of the revenue raised by such districts, distant from the central seat of Government. Although some honourable members who represent other districts may not consider the measure itself is of urgent importance, I am convinced that in the Northern districts this measure, which is now before the House, is considered of very great importance; and as its consideration by the House will be in accordance with the wishes of certain districts, and further as it can be framed on such an equitable basis as will not impose an injustice on any part of the colony, it is desirable that this Bill should receive special consideration this session. I think it is the duty of honourable members to assist in passing such a fair and equitable measure as will enable a scheme of financial separation to be tested; even although such a scheme may partake of a tentative character, as it is likely to do for the first two or three years of its existence. The Bill I am about to introduce to its second reading is based upon the report of the Royal Commission, appointed to inquire into the most equitable plan for the division of the colony into separate districts for financial purposes; and I think it is but fair to say that, in recommending this Bill for the second reading, while the Government, as a whole, are desirous to see the Bill passed, yet the members of the Cabinet individually do not hold themselves bound by all the details of the Bill as at present framed. It cannot be considered a party question; and as there are many provisions in it which are somewhat of a novel character in our legislation, it will be for the members of the Government to consider, when the Bill is in committee, whether the provisions of it are those which it is advisable, in their opinion, to adopt. If we look at the evidence taken before the Financial Commission itself, we find that many resolutions which were fully discussed were only carried by the casting vote of the chairman; and that, on the other hand, many were negatived in a similar way. Having regard to these matters, the Government deem it right that the House should have an opportunity of expressing a final decision as regards the adoption or rejection of several principles of the Bill. I may say that the Bill is, with one exception, framed to carry out the whole of the recommen-

dations of the commissioners. In referring to that report, I must take exception to a statement which was put forward by an honourable member of this House, to the effect that the Central districts were ignored in the constitution of the commission. I can only say, that the desirability of having a representative of each district of the colony was fully considered by the Government, and that, as far as possible, no one district in the colony which expressed an opinion in favour of financial separation was unrepresented on that commission. I may also take this opportunity of expressing my sense of the very earnest labours of the commissioners, and of the very painstaking manner in which they brought their labours to a conclusion; also, the very good basis they have given for the introduction of the measure which the Government now wish to carry through this House. The 4th clause of the report states that one of the first questions which arose for the consideration of the commission was, whether they were called upon to inquire into and report upon the advisability or otherwise of adopting financial separation at all?—

“While some of your commissioners considered that the principle of financial separation had been so often agitated and so generally approved, that it should be assumed as sound, we all agreed that the soundness or otherwise of the principle was not immediately one of the objects of our inquiry; but that, by the terms of your commission, we were limited to this question, ‘Assuming the advisability of financial separation, what is the most equitable and practicable plan for bringing it into operation?’”

I think, Sir, that the commissioners were wise in considering that they should rather confine their investigations to the basis upon which financial separation should ensue than consider the advisability of the measure; and accordingly they proceeded to make an investigation. In the 5th clause they state that they consider that the most equitable plan for dividing the colony into separate districts, for financial purposes, is to form four financial districts—namely, the Southern, the Wide Bay and Burnett, the Central, and Northern districts. With regard to the Wide Bay and Burnett districts, I shall have something more to say presently. The 6th clause points out that the whole of the revenue and expenditure of the colony shall be classified under the heads of General Revenue and Local Revenue, General Expenditure and Local Expenditure. Whilst this clause may create discussion and provoke much comment, I may say that I am in favour of the classification which has been made, providing for customs and excise being classed as Local Revenue, and that unless this is adhered to the Bill will not, I think, give that satisfaction to the Northern

districts which it is intended to provide. The 7th clause states that—

“7. Several items of revenue and expenditure are partly local and partly general. The above classification will show clearly the principle on which we acted, and we recommend it should be carried out in dividing the following items, which, being matters of detail, we did not consider it necessary to enter upon:—Fees of office, fines, and miscellaneous receipts will be general or local, according to the source from which they are derived; while charges for interest on public debt, police, miscellaneous services, distillation, harbours and pilot department, unrendered claims, miscellaneous services, sale of lands, survey of lands, miscellaneous services, Department of Public Works, buildings, goldfields, will be general or local, as the expenditure may be for general or local purposes.”

The 8th clause recommends that the general expenditure of the colony should be met, first from the general revenue, and secondly from the local revenue of the district, in proportion to the population of each, which is to be assumed from the statistical returns of the 31st December preceding the financial year. The 9th clause I look upon as being very important; it is that the balance of local revenue remaining to each district, after deducting the amount due, is its share for general expenditure, to be appropriated to each district for local purposes. This is a most important clause, and I observe that it has been taken exception to by a portion of the Press of the colony, to the effect that the report of the commissioners does not go far enough in this respect, and that whilst their report goes too far in division of local revenue it does not go far enough in its recommendations as regards local administration. If we look at the Bill of 1872, which was introduced by the honourable member for Port Curtis, we shall find that the measure recommended by him contains a provision which might meet all the circumstances of the case. By that Bill it was proposed, that in order that the balances might be applied to public works and other matters of local expenditure most required in each financial division, the Assembly should, at the commencement of the first session of each Parliament, appoint four standing committees, one for each division, consisting of the members returned by the electoral districts comprised within such division; and that such committees should every year report to the Assembly what public works or other matters of local expenditure, in their opinion, were most required in their respective divisions. I am inclined to think, however, that the commissioners acted, on the whole, wisely in not encumbering the Bill at the present time with that machinery. I think that such a course would take too much out of the hands of the Executive

Government, and lead to clashing, and that the 11th clause of the report indicates the best way of getting out of the difficulty, namely :—

“That the accounts of the colony be so kept as to show exactly, on the above basis, the amounts available to each district for local purposes; that, in the meantime, these amounts be administered by the Government on such local objects as Parliament may see fit to sanction.”

That still leaves the power of disbursement with the Executive, subject to Parliamentary assent. I take it that, however this Bill may be framed, honourable members representing the various electoral districts will be no less active than they are at present in seeing that the revenue derived from each particular division is expended in their respective districts. The 10th clause, I consider, points to a very important feature in connection with this subject. It recommends that, should the revenue received from any financial district at any time be insufficient to meet its liabilities, the deficiency shall be made good by special taxation in the district concerned. Now, this recommendation of the commission is, I think, the only one not adopted in the Bill now before the House; and I think that honourable members will agree with me in the opinion, that if the Bill had been brought in in such a way as to give the power to assess a district in order to raise a revenue it would not have passed through the House. I think further, that, after this Bill is passed, should local taxation become absolutely necessary, the whole scheme can be then very well reconsidered, and perhaps by that time we may be able to arrive at some fairer system of securing local revenue to the various districts than we might possibly adopt at present. In lieu of having a hard-and-fast line, I consider that the abundance of one district should, where necessary, temporarily relieve the necessities of another district; and I do not think there is any probability of any one district having permanently such a deficiency as to necessitate resorting to local taxation. I rather think that the Bill itself may, in committee, be amended in such a way that, pending the adjustment of accounts, any district may receive temporary assistance, and that until such district's account was replenished, interest should be charged in the balance of indebtedness at the rate paid on the local debt of such division. Clauses 12 and 13 define what items of expenditure of the public debt are to constitute the general, and what the local, debt of the colony. The 14th clause recommends that those moneys which, under the Appropriation Act of 1874, were called surplus revenue funds, and devoted to certain improvements, shall be treated as a local debt, and that interest

be charged to the district in which the expenditure has been incurred. The 15th clause recommends that—

“To facilitate the keeping of the accounts of the colony, the interest chargeable to the several financial districts be calculated at the uniform rate of 5 per cent. per annum.”

The 16th clause, which is the last, with the exception of a final congratulatory recommendation, is as follows :—

“We have to draw your Excellency's attention to the fact that a small portion of the district of Wide Bay and Burnett, as defined by us, is included in the Western Railway Reserve, so that an amendment of the boundary of the reserve, or the boundary of the district, will be required when legislation takes place.”

Referring to the Bill before honourable members, the 1st clause of it provides for the division of the colony into four districts, as proposed by the commission. I believe, Sir, that there will probably be a difference of opinion on this part of the subject. For three great financial provinces of the colony possess such large and marked features in comparison with the small district of Wide Bay and Burnett, that to me it seems somewhat extraordinary that this small territory should be constituted a separate district. The only reason I have heard alleged in favour of such an arrangement is, that the Wide Bay and Burnett district has distinct physical features, which geographically isolate it from inland communication with other parts of the colony; but if we contrast the respective areas of the proposed four divisions,—which are as follows: Southern division, 153,600 square miles; Wide Bay and Burnett, 20,700 square miles; Central, 240,250 square miles; Northern, 254,970 square miles;—it must appear that if the Wide Bay and Burnett be amalgamated with the Southern division the provinces will be more nearly on a par, and I am inclined to think that the system of financial separation will be a greater success than if four divisions are formed, as they would be of more equal size, have a more equal extent of seaboard, and be in a better position to deal with various matters under the proposed system of financial separation. I may also remark, that under the Railway Reserves Bill nearly the whole of the lands in the Wide Bay and Burnett district are dedicated to railway purposes, so that what is left would be necessarily small for revenue purposes; indeed, the report of the commissioners goes in favour of my view, because I see that it was proposed by some members of the commission that—

“In consideration of the intimate commercial relations subsisting between the proposed Southern and Wide Bay and Burnett districts, and the hindrance to trade which would result from any attempt by the customs authorities to arrive at the actual revenue to be accredited

to those districts respectively, we recommend that the customs and excise receipts of the two Southern districts be annually apportioned to each, in accordance with the gross population in those districts respectively."

That, however, was one of the resolutions negatived by the casting vote of the chairman. I believe the honourable gentleman was correct in his decision; because if those two districts were to have an equal division of customs revenue according to population, why should not other districts have the same? The Northern districts cannot be expected to share in that opinion, as, if they are not to have their full share of customs revenue, the advantages of the proposed financial separation will be nullified. Taking all circumstances into consideration, I am of opinion that the junction of the Wide Bay and Burnett districts with the Southern division would be found beneficial to those districts themselves. To assist honourable members in arriving at a fair conception of how this scheme of financial separation will affect the several districts, I have had the Treasury transactions of the years 1876 and 1877 published, appropriating the revenue and expenditure in accordance with the recommendations of the commissioners' report, and have also had them so framed that honourable members can see the effect that will be created by treating the customs either as general or local revenue. Although it is not printed, I have also had a return made, showing the position the three divisions will occupy if Wide Bay and Burnett are retained in the Southern division, which further corroborates the equitable consideration of these districts remaining united. The 2nd clause of the Bill provides that the population resident in the several four districts on the 31st of December in each year shall be deemed the population of such districts for the following financial year for the purposes of the Act. The 3rd and 4th clauses state the various heads coming under the terms local debt and general debt,—all expenditure authorized by the Appropriation Act of 1874, No. 2, to be charged under the former to the districts in which it was expended. This is the starting point of the scheme; and it is interesting perhaps to refer to the position which the different districts will occupy, supposing this Bill is passed into law. The population of the Southern district of the colony is, treating the divisions as recommended by the report of the commission, 109,206. The total debt with which she will commence her independent financial existence amounts to £3,888,144, or an average of £35 12s. per head of the population. The annual interest on this sum, which the Bill proposes to pay at the rate of 5 per cent., amounts to £1 15s. 7d. per head of the population. Out of this sum, railway construction amounts to £3,145,401, or

£28 16s. 6d. per head of population, so that the debt for general purposes amounts to £6 15s. 6d. per head of the population. The Wide Bay and Burnett district, with a population of 24,059, commences her financial career with an indebtedness of £181,070, or £7 10s. 6d. per head of the population, the annual interest on which represents 7s. 6d. per head. The Central district, with a population of 23,811, has a debt of £1,352,025, or £56 15s. 8d. per head of population; the annual interest on this sum is £67,601, or £2 16s. 8d. per head of the population. Out of this amount of indebtedness the railways have absorbed £1,108,637, or at the rate of £46 11s. 2d. per head of the population, showing the net amount of indebtedness for other services to be £10 4s. 6d. per head of the population, as against £6 15s. 6d. for general purposes in the Southern district. The Northern district, with a population of 30,024, is charged with a proportion of the public debt amounting to £238,178, or £7 18s. 8d. per head of the population; the annual interest on which amounts to 7s. 10d. per head. The total of these figures amounts to £5,659,409, leaving £2,029,876 charged on general account; which, estimating the present population of the colony at 187,100, represents a total indebtedness of £10 17s. per head of the population. The different districts of the colony, as will be observed, are charged with their share of the deficiency on the loans that have been raised from time to time. This, in the Southern district, amounts to £253,855, or £2 6s. 6d. per head of the population; the Wide Bay and Burnett district £6,709, or 5s. 7d. per head of the population; the Central district £118,659, or £5 per head of the population; and the Northern district £10,979, or 7s. 11d. per head of the population. As I shall again advert to the amounts that are charged to the different divisions, I shall now proceed to consider the other clauses of the Bill. The 5th clause deals with the general and local revenue, and, doubtless, will form considerable ground for discussion. The prominent feature, I take it, will be that relating to customs and excise, which in no previous Financial Separation Bill have been credited as local revenue, as I have already mentioned. There is, however, one disadvantage in so allocating customs and excise; it is this, that any future Treasurer who may feel inclined, or be financially able to reconsider the tariff with a view to remission of taxation through the Custom House will have to meet objections sure to be raised by the representatives of districts whose local revenue may be specially affected by such proposed reductions of customs duties. At the present time the North, owing to the recently imposed duty of 1d. per pound on rice, derived a revenue from that source

last year amounting to about £21,000. If a future Treasurer feels inclined to remit this or any similar duty benefiting one particular district, I can readily understand that the members for that district would be very much opposed to such an alteration. On the other hand, unless customs and excise are treated as local the benefits of this Bill will be completely nugatory as far as the North is concerned. In that view of the case, and desiring that the Bill should fairly benefit all, I am in favour of the desired allocation of that portion of the revenue. But while I accede to the report of the commission in so allocating customs and excise as local revenue, still I foresee that it will be in future a source of difficulty to the Treasurer, which he will have to take into consideration when he proposes any remission of taxation which would reduce the revenue of any particular district. The items constituting local revenue will be far better discussed in committee than on the second reading; and I may say, on impartially looking at the matter, that they may very fairly be accepted as they stand. The 6th clause of the Bill refers to the apportioning of general and local expenditure, and those are also matters which it will be more convenient to discuss in committee, inasmuch as we must be prepared to make an appropriation of revenue and expenditure in the manner indicated by the commissioners. The 7th clause deals with the appropriation of general and local revenue, and the 8th deals with the adjustment of surplus and deficit in general account. The 9th clause recommends that the financial district accounts shall commence from the first day of the current financial year. The 10th and 11th clauses deal with the manner in which the general and district accounts are to be credited and debited. The 12th clause recommends that the rate of interest on the local debt shall be five per cent. per annum, and shall be charged upon the indebtedness of each district. The 13th clause provides that at the end of every financial year the accounts shall be balanced, and the balances carried forward to next year. The 14th clause deals with the mode of estimating the amounts available for the local expenditure in the coming year. The 15th and 16th clauses provide that the accounts shall be published, and the general and local expenditure be distinguished in Acts authorizing the expenditure. Those, however, are matters of detail, and do not affect the principles of the Bill. Clause 17 provides that nothing in the Act shall affect public securities; and clause 18 recommends the amendment of the boundaries of the Western Railway Reserve. And here I may remark, that there will have to be introduced in committee a further amendment altering the conflicting boundaries of the Northern and Central

divisions, with respect to the Central Railway Reserve, which enters to some extent into the Northern division. I have caused a return to be prepared, showing how the apportioning of customs and excise as local or general revenue will affect the position of the different districts as well as the general accounts. It will be seen from this, that by the apportioning of customs as local revenue the general account will have to be supplemented by the other districts at the rate of £1 14s. per head of the population—the deficiency being £313,830. If the customs were treated as general revenue, the general account would have a credit of £216,820, or be able to distribute to the several districts the sum of £1 3s. 2d. per head of their population. From the past year's transactions, this account, as affecting the four divisions of the colony, would stand as follows:—The Southern district, with a population of 109,206, has a revenue from customs and excise, treated as local, of £741,002, or £6 15s. 10d. per head of the population. Of this amount, railways contributed £161,900, or £1 9s. 8d. per head of the population. The expenditure of the Southern district amounted to £5 0s. 8d. per head, of which railways required 17s. 4d. per head; and the interest on proportion of debt amounted to £1 15s. 7d. per head of the population—leaving the net amount of expenditure charged £2 7s. 9d. per head. With customs charged as local revenue the Southern division of the colony would represent a credit balance of £7,857; or, with customs charged as general revenue, £10,885. The Wide Bay and Burnett district, with a population of 24,059, has a revenue of £4 10s. 6d. per head, and an expenditure of £2 11s. 6d. per head; and the interest on the public debt amounts to 7s. 6d. per head—leaving for expenditure £2 4s. per head of the population. With customs charged as local revenue the credit balance of the district at the end of the last financial year was £6,857; but were she to receive her portion of customs or general revenue it would present a better appearance, inasmuch as it would have a credit balance then of £42,662, mainly arising from her comparatively dense population participating in the customs revenue of other districts whose population are large consumers of dutiable commodities. The Central district, with a population of 23,811, has a revenue amounting to £9 7s. 6d. per head of the population, or £22,385; of which £1 8s. 3d. per head is furnished by railways. Apart from the large last-mentioned item, her revenue amounts to £7 19s. 3d. per head of the population. The expenditure in that district amounts to £155,900, or £6 11s. per head; of which 18s. 4d. per head is absorbed by railways, and the interest on local debt amounts to £2 16s. 8d. per head. The net amount of expenditure per head on other

services represents £3. It will be observed that in the Central district it makes very little difference whether customs are treated as local or general revenue. Treated as local revenue, the credit amount would be £27,436; and as general revenue it would be nearly £20,000. The same cannot, however, be said of the Northern district, which, with a population of 30,000, has a revenue of £6 13s. 8d. per head, amounting altogether to £200,739, and an expenditure averaging £4 3s. 2d. per head; of which 7s. 10d. per head represents her proportion of interest on the local debt. It would make a very great difference to the North if the customs were charged otherwise than as local revenue. Treated as local revenue, the credit balance last year would have been £25,565; while treated as general revenue, a debtor balance would have resulted of £5,750. I cannot, therefore, expect the Northern representatives to concur heartily in any scheme of financial separation which would withdraw from them what is at the present time their main source of revenue. Turning to the next page of the returns, it will be observed that the receipts from customs, excise, and bonds in the Southern district, amounted to £327,853, or £3 per head of the population. The same source of revenue in Wide Bay and Burnett produced only at the rate of £1 10s. per head of the population, mainly owing to the amount of dutiable goods consumed in that district cleared at Brisbane. In the Central district, the revenue derived from customs, excise, and bonds, amounted to £3 8s. per head of the population; and in the Northern district, to £4 4s. Glancing at the line below, we shall see that while the Northern district receives at the rate of £4 4s. per head on these items, it had only 14s. per head of land revenue, as against £2 for the Central district, £2 2s. 6d. for the Wide Bay and Burnett district, and £1 8s. for the Southern district. The items which have been held to constitute the different local debts and the general debt are to be found on pages 8, 9, and 10 of the Statement showing the public debt of the colony, together with the revenue and expenditure for the year ended 30th June, 1877; and it will be observed that the general debt consists of the items of immigration, ports, harbours, and rivers, balance of unappropriated municipal loans, and public buildings. The total of the general debt amounts, as I have already said, to £2,140,676, the deficiency caused by raising the several loans being £159,575. The local debt of the Southern district amounts to £3,808,145, of which £3,122,404 represents railway construction, and £253,855 loss in raising the several loans. The local debt of the Wide Bay and Burnett district comprises only, at the present time, railway surveys, ports, harbours, and

rivers, municipalities, public buildings, water supply, roads and bridges,—amounting to £168,070; of which £6,709 has been lost in the raising of the loans. The Central district is charged with £1,108,637 for railway construction and surveys, the total amounting to £1,347,524; of which £118,659 has been lost on the raising of loans. The local debt of the Northern district is £224,871; of which £10,979 has been lost on the raising of loans. In dealing with the standpoint of the scheme, as I term it,—that is the amount of indebtedness of each district—a feature presents itself to my mind which, I think, may fairly be considered in this Bill, and regarding which I shall perhaps have an amendment to introduce in committee. We must bear in mind that the lands of the colony in some of the most populous districts have already been sold for the purpose of providing for the foundation of the colony—the extension and development of settlement of the country; and I think an equitable view should attach itself to this scheme of financial separation with respect to those districts. I allude particularly to the Southern and Central districts—the former more particularly—which have to a great extent deprived themselves of a very valuable source of revenue by alienation of their lands. I do not think it is altogether just to say that we should dis sever our financial partnership without giving some acknowledgment to those districts which have been denuded of a very large source of revenue, which I hold has been, to a great extent, expended for the general purposes of the colony. Considering the amount which has been realized from the alienation of our public estate, as shown in the Treasurer's financial tables laid before the House last month, a sum of nearly £3,000,000 has been realized from the land revenue between 1860 and the 31st of May, 1877;—it seems to me only fair and reasonable that the districts which have supplied this large amount of revenue ought to receive credit for it, and that the general account should be charged therewith. The report of the commission goes to a certain extent in that direction, although it does not mention this particular matter; for we find there that immigration is accepted as general liability. In the cancelling of land orders which has been effected by alienation of the Crown lands in certain districts, the cost to the colony has been nearly £1,000,000, and should, therefore, be treated as part of the expenses connected with immigration. It may be contended that if we were to charge the districts which have most largely borne this heavy burden with the deficiency of interest which has accrued on the construction of their railways, they would have very little to the good. But that is not a fair way of looking at the matter; because we find

that £2,658,000 of interest on our public debt has been paid up to the present time, exclusive of Treasury bills. I contend that this sum, which has been disbursed to pay the interest on the public debt, has been contributed to most largely by those districts which have alienated their real estate; and I consider that these districts have a right to be credited with it at the rate per head of population, seeing that that is taken as the basis of adjustment, and that this amount of interest will be a fair charge to the general debt, less such amount of deficiency as has accrued upon the different districts through railway construction. I regret I have not been able in time to prepare a paper which I had ordered by way of elucidating this scheme. The amount of deficiency on the railway debt in the different districts would not absorb this amount of interest, which will be due to them as their proportion on account of what has been expended in the past; and it will be only just to allow the districts to begin their new financial career credited against their respective local debts with the amount of land revenue they have furnished in the past for general purposes of Government. There is one feature of this Bill which goes even further than financial separation, and which will have a considerable effect upon the future legislation of the colony; that is, the important principle, that districts are assessed to contribute to the general revenue upon a population basis. We call upon 187,100 people to contribute towards the deficiency of general revenue; and it must be borne in mind that the franchise of this colony is exercised by something under 38,000 people. It will be admitted fairly, as a principle of representative government, that representation should accompany taxation; and the affirmation of this principle by the commissioners will very likely form a matter for future consideration of the extension of our franchise. I must say I am, to a certain extent, glad to see that the commissioners have accepted a population basis as a fair one on which to assess the different districts to contribute to the general account; and while, to my mind, a modification of this principle in our colony would be fairer, considering our mixed population, I view it that it is their deliberate admission, that the representation of the colony may be considered to rest upon the population basis. It may be considered by some whether, in this Bill, there should not be some self-adjusting basis by which the different divisions of the colony, if increasing in population or otherwise, might be able to come within the provisions of the Bill. However, that might be looking too far ahead; because I take it that, should the Bill pass, as I hope it will, in a fair and equitable shape, principles will from time to time arise for reconsideration—I mean

as regards matters of detail. I think that this Bill will be legislation which will be a decided step in advance. I do not think that any objection can be brought against it, that it is introducing the spirit of "parochialism." It will rather tend to induce the population of the different districts to take a more direct interest in the administration of local revenue, and possibly tend to assist the central Government in their administration of such revenue. To assist honourable members in considering and studying this Bill a map has been prepared, and laid on the table of the House, which shows at a glance the financial divisions proposed by the measure. The Bill provides for the exclusion of such portions of the Western Railway Reserve as are comprised within the Wide Bay and Burnett financial district. As already indicated, a similar amendment will have to be made with regard to the Central Railway Reserve, which encroaches upon the Northern division. There is a difference in the Southern financial division, as now constituted and as previously defined, a portion of the Central Reserve, to the west of the Wide Bay and Burnett, now being included in the Southern division. This has been done, inasmuch as it is asserted that the trade from this portion more naturally finds its outlet in the Southern than in any of the other divisions. I have confined myself more to matters of detail in moving the second reading, as I think that the more important discussion will come on when the Bill goes into committee. I take this opportunity of saying that I consider it is desirable that this measure should receive the attention of the House this session; and I believe that, slightly altered from its present form, it will meet with very general approval, and be especially acceptable to the Northern districts. If it can be so modified that the districts which have already parted with their lands will be credited with the amount that has been derived from the alienation of such lands, I do not think that the measure will contain any principle which can fairly be cavilled at by any portion of the colony. I beg to move the second reading.

Mr. PALMER: I do not rise, Sir, to object to the second reading of the Financial Districts Bill, which I will admit is a measure far in advance of anything that I expected from the Government. I cannot compliment the Colonial Treasurer on the manner in which he has explained the measure; his speech, I think, is more tended to confuse the House as to what this Bill really provides. In saying that I do not rise for the purpose of disagreeing with the second reading, I do not wish it to be understood that I believe in the whole of the Bill. I cannot go quite that length; but, as I said before, it is a Bill considerably in advance of past legislation,

and I agree with the Colonial Treasurer that something like it should pass this session. The introduction of the Bill, Sir, was rather curious, for the Colonial Treasurer told us, in effect, that the members of the Government had agreed to disagree with some portions of it. What are we to understand from this? Are we to understand that the Colonial Treasurer has only been put forward, in the same manner that the honourable member for Toowoomba was lately, to elicit the opinion of the House, and to allow the Government to shape their course accordingly? I think honourable members are entitled to have this question answered. Is this a Ministerial Bill? Are they, or are they not, prepared to carry it through as a Ministerial measure? We are entitled to know this; and I hope the honourable the Premier, when he addresses the House, will let us know whether this is a Ministerial measure, or is simply a cat's-paw to see how the wind blows—to find out the opinions of honourable members. I have some objections to the Bill, and I will state them shortly. The great failing in the Bill is, the leaving out the system, which I proposed to introduce in my measure of 1872, of referring matters of detail in connection with the expenditure on public works to a committee composed of members from the several districts. I think if the expenditure on public works in the different districts were in the first instance referred to distinct committees, consisting of members representing the different districts—not to give them power to vote money, but to consider and report what would be proper expenditure;—I think it would be not only a great improvement, but would relieve the Executive of a vast deal of responsibility, and save a great deal of debating when the items came before the House for consideration. Looking at it in that light, I think also that the Government, in leaving out the recommendation of the 10th paragraph of the commission's report, have made a mistake. The commission recommended that when there was an over-expenditure of the public money, the different districts which had overdrawn should be taxed. Under such a provision the representatives of the different districts would be very careful in coming to this House for enormous grants, such as are asked for every session, to be expended in their districts. I, therefore, consider that the omission of the recommendation was a decided mistake, and I hope it will be remedied in committee. The argument of the Colonial Treasurer with respect to making three divisions instead of four would be very good had it not been for the previous legislation of this Government. The Colonial Treasurer argued that the Wide Bay and Burnett district would be

robbed, as the whole of its lands had already been alienated and set apart. Why was that district robbed? Why were all its lands taken away? Why was such a Bill as the Railway Reserves Bill ever introduced? I repeat, that the argument of the Colonial Treasurer would have been very good had it not been for the action of the present Government, who have taken away the land revenue from that very district. His argument, further, that a great deal of the customs duties on goods landed at Maryborough are paid in Brisbane, holds good with respect to all other Northern ports. In all cases goods are received by the Northern ports from Brisbane, on which the duties have been paid in Brisbane. I presume, that these districts would have to be credited with these charges, that there would have to be a rebate. I say that the argument goes for nothing. My particular objection to this Bill, Sir, is to the 2nd and 8th clauses; and I will endeavour to show why I disagree to these clauses. The 2nd clause provides—

"That the population resident in the said districts respectively on the thirty-first day of December in each year as shown by the returns of the Registrar-General shall for the purposes of this Act be deemed to be the population of such districts respectively for the financial year beginning on the first day of July next following."

I say that principle is wrong. I maintain it should be the adult male population resident in those districts; and I will show, as far as I am able, that in carrying out clause 8 the Government will do a downright injustice to the Southern portion. I have always sat here as a representative of a constituency in the Central district; but I do not forget, and I hope I never will forget, that I also represent the colony at large. I do not want any advantage for my district—I want nothing more than bare justice; and I say that, taking the 2nd and 8th clauses together, there will be a very unfair proportion of the expenditure put on the Southern district. The 8th clause says—

"If the general revenue in any year prove more than sufficient to meet the general expenditure the excess of such revenue shall at the end of the year be credited to the several districts ratably according to population."

Well, Sir, that looks like a very fair exchange, so far; but, if honourable members will look over what is general and what is local revenue, they will find that there is not the slightest chance of the general revenue ever exceeding the general expenditure. I repeat, if honourable members will look at the different items from which the general revenue will be derived they will see that it is impossible that the general revenue can ever exceed the general expenditure. There

will, therefore, be nothing to divide. But the latter part of clause 8 says—

“And if such general revenue be found insufficient to meet the general expenditure, the deficiency shall in like manner be debited to the several districts ratably according to population.”

Now this is what I say will fall most unfairly on the South; because under the Bill every man—as well as every woman and child—will have to bear his share per head of the deficiency. There cannot be a surplus; and although the Northern and Central districts, owing to the large excess of male adult population which they have, would benefit by the measure passing in its present shape, I, looking at the general interests of the colony, cannot consent to anything so exceedingly unfair taking place. I think the principle bad from the beginning. I believe that the representation of the colony should rest on a male adult basis, and I believe that the expenditure should be paid by the male adult population and by property, not by women and children. I think this a great mistake in the Bill; and I sincerely hope that honourable members, looking at it as seriously as I have done, will come to the same conclusion, and that the fairer principle to adopt is to take the adult male population as the basis in all cases. I have no doubt that it is impossible to contradict this: I do not believe that the chairman or any member of the commission will say that I am not correct. All the figures that the Colonial Treasurer has put before the House will never prove that there will be a surplus of general revenue. Members can judge for themselves, if they only look at the Bill and see what is considered general revenue. It is impossible that there can be a surplus—there will be a deficiency. That is the great fault I have to find with the Bill. I think the argument of the Colonial Treasurer about the interest of the general debt not quite sufficient. It would be fairer, perhaps, to calculate the interest on the general debt, and then it would be found that the account would come out in a different shape to what was laid before the commission. I have no doubt that the gentlemen who made out these accounts—they prepared them perhaps as well as possible—have a very considerable leaning to the Southern interests, from the head of the department to the youngest clerk, and have a tendency to bring them out as favourably as possible to the South. Before the debt is apportioned in the way shown by these accounts, I say the accounts require scrutinizing sharply. For instance—it is only a small matter—in the 3rd clause of the Bill what is local debt is defined, and certain exceptions are made. Gaols and the Supreme Court are excepted; but in

the schedule of the local debts we have the Rockhampton lock-up; and watch-house, and public office—which is a court-house just as well as the Brisbane Supreme Court—are charged. These are excepted in Brisbane; but in the Central district they are charged. At Gladstone and at Clermont the court-houses are also charged. I daresay when other members of the Central, and the members of the Northern districts come to look into this matter, they will find that they are served the same way; that what is brought in as “local debt” for their district is excepted in Brisbane and made “general debt.” I say this is not fair. On the immigration vote a great difference of opinion may take place. I find that 100 immigrants sent out to Maryborough have lately been brought to Brisbane. How will that be apportioned? Last year the same thing happened; immigrants were brought South, but the North was charged with the cost. I know that the cost of immigration is usually supposed to be chargeable to the “general debt,” and that this is founded on the proposition that an equal proportion of immigrants is sent North and South,—which is not the case, however. The recommendation of the commission is perfectly correct; but the Bill is thoroughly wrong. As I said before, I do not object to the second reading; but when the measure goes into committee I hope, with the assistance of honourable members—who will, I trust, look carefully into the 2nd and 8th clauses—to endeavour to amend it so as to do fair even-handed justice to every part of the colony.

Mr. KIDGELL said in his opinion there was one radical defect in the recommendation of the Royal Commission, as embodied in the report now under the consideration of the House, and also incorporated in the Financial Districts Bill before them. It appeared to him that the most equitable course that could have been adopted with regard to the appropriation of the customs revenue would have been to have either treated it as general revenue, or, if treated as local revenue, to have credited the various inland and other districts with, as far as practicable, the proportionate amounts of customs duties received at the port of Brisbane for goods consumed in the districts referred to. Should the suggestion of the commission in this respect, which was also carried out in the Bill before them, become law, a great injustice would be done to the already unjustly treated districts of Wide Bay and Burnett. In clause 5, under the heading of local revenue, he found the very first item to consist of customs and excise; and referring to the accompanying schedules, he found the Wide Bay and Burnett districts credited only with the customs duties

received at Maryborough and Bundaberg, amounting, in round numbers, to £35,000 during the year 1876; whilst the Southern division was credited with the whole amount received at the port of Brisbane during the same period, amounting, in round numbers, to £300,000; although it was a well-known fact that the customs charges on by far the greater part of the goods consumed in the Wide Bay and Burnett districts were collected at the port of Brisbane. There could be no doubt whatever on this point; and if there were doubts, they could be easily dispelled by a reference to facts and statistics furnished by the commission itself. In estimating the contributions per head to the revenue derived from customs and excise, the inhabitants of the districts to which he referred could fairly lay claim to an equal amount with that contributed by the inhabitants of the Southern division; in all probability they contributed much more. A large portion of the inhabitants of Wide Bay were engaged in mining and timber-getting, and it was a well-known fact, that persons thus engaged contributed to the revenue, through the customs and excise duties, in a far larger proportion than any other class. In the more settled districts, particularly in those devoted to agricultural pursuits, the residents in a great measure subsisted on the produce of their own farms, and the revenue suffered accordingly; but if, for the sake of argument, it were admitted that the residents of the Wide Bay and Burnett contributed equally to the customs revenue with the inhabitants of the Southern division, what would be the result? Basing the calculation on the estimated return for the whole colony, £3 per head, he found that the Wide Bay and Burnett districts contributed during the past year £66,752, or nearly double the amount with which those districts were proposed to be credited.

MR. WALSH rose to a point of order. The honourable member was reading his speech.

MR. KIDGELL said that he was not reading his speech—he was merely referring to some statistics which he had written down; but members for his district were somehow always subjected to the attacks of the honourable member for Warrego, who had on one occasion spoken of miners as wandering diggers, roving over the face of the country, and making holes for sheep and cattle to fall into. If a representative of his district—a district which had contributed so largely to the prosperity of the colony—came down to the House and asked a measure of justice for it, he was stigmatized as a log-roller, and told that he came to that House for the sole purpose of getting a particular railway made. The blood of the honourable member for Warrego always boiled when anything was

asked for Wide Bay and Burnett; but he would ask where that honourable gentleman was when the iniquitous expenditure of £18,000 a-mile on the Brisbane railway took place? Did his blood boil then? Was it not rather down below zero—or was he not himself *particeps criminis*? He knew that in the opinion of some honourable members of the House the districts to which he alluded were considered unimportant and insignificant; but a few statistics, to which he would invite the attention of honourable members, would, he thought, prove such opinions to be both erroneous and unjust. Some honourable members might not be aware of the fact that the Wide Bay and Burnett districts formed by far the most densely populated portion of the colony. The Southern district had an area seven and a-half times as large as that to which he had referred, whilst its population was less than five times as large, the average adult population to the square mile being in the ratio of $1\frac{1}{2}$ in the Wide Bay and Burnett, to about half that amount in the Southern district, in spite of all the advantages enjoyed by the latter, resulting from immigration, and the well-known disposition of new arrivals and others to remain, if possible, in the neighbourhood of the metropolis and other large centres of population. Taking the Central division, he found that it possessed an area nearly twelve times as large as that of Wide Bay and Burnett; and yet the latter had the advantage in point of population. The Northern district, again, had an area of more than twelve times that of Wide Bay and Burnett; and yet the population of the latter was nearly equal to that of the former, even including the hordes of Chinese, who were considered such undesirable colonists that they were doing their best to legislate them out of the country. Subtracting these hordes of semi-civilized aliens, he found the population of the Northern district 17,338, as against 22,284 for the Wide Bay and Burnett. Even taking the Chinese into the calculation, he found that the smallest division in the colony had a population, relative to its area, twelve times as large as that of the Northern and Central divisions, and nearly twice that of the Southern division. And yet they were told by some honourable members that it was an unimportant and insignificant division, and if any of its representatives demanded in this House that its just claims for a reasonable expenditure for the purposes of railway extension and other reproductive works, be not overlooked, they were stigmatized by the honourable member for Warrego as log-rollers and abject supporters of the Ministry. In appendix No. 11 he found the Wide Bay and Burnett division placed in the same unfavourable and erroneous position

with regard to the estimated contributions to the revenue through the customs for the first five months of the present year, where it was only credited with the amount of 10s. per head, as against 30s. for the Northern, 22s. 6d. for the Southern, and 27s. 4d. for the Central division; the Wide Bay and Burnett being by this process systematically robbed to swell the returns appropriated to the Central and Southern divisions. Turning to appendix No. 9—Department of Public Instruction—he found an analysis of the various amounts chargeable to the various divisions for the first four months of the present year—or, in other words, the amount actually expended in those divisions during the period referred to we find charged as follows:—Southern division, £20,590 0s. 2d.; Central division, £3,348 16s. 11d.; Wide Bay and Burnett division, £2,863 6s. 8d.; Northern division, £1,840 18s. 2d.;—besides a general expenditure of £1,940 17s. 4d. In appendix No. 7 he found, according to the census returns of May, 1876, the number of minors (which of necessity included all for whose benefit the liberal sum set apart for the purposes of education was intended) set down as follows:—Southern division, 53,246; Wide Bay and Burnett division, 11,034; Central division, 9,971; Northern division, 7,062;—the number of children in the Southern division being thus nearly five times as large as the number in the Wide Bay and Burnett division. The expenditure, however, for educational purposes was considerably over seven times as large in the former division as compared with the latter. Why should this expenditure be thus disproportionate to the number of children? To his mind it clearly proved, either that one district had received vastly too much, or the other a great deal too little. He knew of one school in Gympie, built for eighty scholars, which now had to accommodate nearly double that number; he knew struggling farmers in the Wide Bay district who had to subsidize what is termed a provisional school (which generally means a very indifferent and poorly provided one) to the extent of from £5 to £10 per annum in one family; whilst only the other day he was informed by a highly respectable and well-to-do citizen of Brisbane, that his children were getting a really good education in one of the excellent metropolitan schools for the nominal sum of 2d. per annum. These facts would, he thought, help to explain why the expenditure was so large in the Southern district as compared with the less favoured ones; and it revealed a state of things which clearly should not be allowed to exist. There were other items in the report of the Royal Commission equally worthy of attention, and which would probably receive the fullest consideration of the Assembly in dealing with

this Bill. He regarded the report referred to as one of the most valuable documents ever laid upon the table of that House, and calculated to render the most material assistance to honourable members in framing a Bill similar to the one before them, which should insure a fair and equitable apportionment of the revenue of the colony to its various districts. He hoped it would also be the means of introducing a system of local government, which should not only put an end to charges of log-rolling, and the heart-burnings and local jealousies which so frequently impeded and sometimes defeated legislation, but also be conducive, in a very marked degree, to the general prosperity of Queensland.

The PREMIER: It may be desirable at this stage of the proceedings that I should say a few words in reference to what fell from the honourable member for Port Curtis upon the position of the Government in reference to this Bill. It will be in the recollection of honourable members that this subject has been discussed for some years. It took the shape, in 1872, of a Bill, which was carried, I think, through a second reading, and was subsequently thrown out in committee after considerable discussion. It has been made also the subject of a great deal of agitation in the Northern districts—by which I do not mean to imply any disrespect to the form in which it has been discussed there, but that it has been made an instrument of political argument, and has been very fairly discussed for a length of time. There has, however, been no great anxiety manifested for it in the Southern districts. In 1875 the honourable member for Kennedy brought forward a resolution, moderately and temperately worded, and he agreed to excise from it certain words to which exception had been taken by the Treasurer for the time being, who thought it too extreme. A resolution was agreed to which committed the House to a fair consideration of the question. The following year passed without any legislative notice being taken of the subject; but an implied promise was given to the gentlemen who supported the movement, to the effect that a commission should be appointed to investigate the whole subject. That implied promise was carried into effect shortly before the meeting of Parliament, and immediately after my connection with the present Government as its head, by the appointment of a commission to call evidence and indicate the mode in which a Bill might be introduced to the House. I am sure honourable gentlemen will admit that this commission collected a valuable amount of information. They have directed our attention to a variety of papers which they were able to investigate narrowly, thereby laying the foundation of a sounder consideration of the subject than

we have hitherto been able to attain. This may account for what the honourable member for Port Curtis calls an advance in the character of our legislation. He says it is a considerable advance upon anything before brought under the notice of the Legislature; and I do think that we are entitled to say that the subject has now been fairly discussed and fully investigated. The Treasury accounts have been collated, and we are now in possession of important facts in a form which entitles us to come to more definite conclusions than we have hitherto been able to arrive at. Having arrived at this stage, the Government deem it their duty to introduce a Bill as nearly as possible in the form recommended by the commission. They do so with the fact before them, that even the members of the commission are not all agreed upon minor details. We have, however, brought in this Bill as nearly as possible upon the recommendations of the commission, rather than in the shape of a measure entirely conceived by ourselves. There are precedents for this action. The honourable member for Port Curtis is aware that he has on more than one occasion introduced Bills to the details of which he did not, in all respects, bind himself.

MR. PALMER: I always stated whether they were Ministerial measures or not.

THE PREMIER: This is a Ministerial Bill, of course, because it is introduced on the authority of the Government and on the advice of the commission.

MR. IVORY: It is well to know that. You are generally too vague.

THE PREMIER: The honourable member will never tie me down to what I do not desire to say, and it is useless for him to attempt it. I was saying that the honourable member for Port Curtis had introduced Bills as to which he almost invited discussion and difference of opinion. I may mention, as an example, the Land Bill of 1868, which, if not actually a Bill of the honourable member's, was brought in by the Ministry with which he was connected; and he admitted the House was at liberty to worry the measure. I have no desire to invite the House on this occasion to worry this Bill; but I must claim for it, and for the Government, a certain liberty of action which would not attach to some other Bills which we have brought in. The honourable member for Port Curtis will also remember that certainly on one occasion he brought in an Education Bill, which he stated was not a party measure, and he requested that it might not be considered as such. I rather differ from him as to the possibility of making any Education Bill not a party measure, because it is a subject upon which the Government must come to a decided opinion one way or another. While,

therefore, I freely admit that this must be considered a Ministerial measure, to which the Government are, to a great extent, committed, I hope I may claim a certain latitude of opinion on behalf of the Government as a Government. There are some points in this Bill upon which we may claim to have some opinions different from those arrived at by the commission. We are much indebted to those gentlemen for the manner in which they have done their work, and the Bill is simply an embodiment of what has been done by them. Objection has been taken by the honourable member for Port Curtis to the omission of the provision for local taxation, which is the subject of the 10th clause of the report. This necessarily must be a subject for legislation; and it is a very difficult subject to deal with. When we come to consider how taxation is to be carried into effect, some very difficult question will arise—how is taxation to be effected? Is it to be by a tax on stock, or special licenses to miners, or what? We felt that to introduce these questions would have been to complicate the measure, and perhaps lead to its being rejected. We further felt that, in the interests of the financial districts themselves, it was better to leave such questions open at present. I do not think I should be justified on the present occasion in taking up the time of the House by expressing my own opinion of this matter. I have unhesitatingly, on previous occasions, expressed my personal opinions against financial, and in favour of territorial, separation. Personally, I should be inclined to adapt the recommendations of this commission to two districts alone—districts divided by a line running from Cape Palmerston westward. That would be the best thing to adopt, and it might lead to territorial separation, which I believe would be a good thing, though I should not be justified in connecting the Government with any such proposition, because the members of the Government do not believe in it, and are not united upon the point.

MR. PALMER: I am very glad to hear it.

THE PREMIER: I have explained this in order to show the position in which we, as a Government, stand, and that we are endeavouring to give effect to the opinion of the commissioners. With regard to the 2nd and 8th clauses, and their bearing upon one another, to which the honourable member for Port Curtis has referred, those are just the points which show that there must be a certain latitude in the discussion of this Bill. The honourable gentleman agrees himself with its main features, but he takes a decided exception to important details of it. But if the measure is discussed in that spirit and with a desire to effect something in the way of legislation that will be suitable to the

Southern as well as the Northern districts, I hope we may arrive at a reasonable result. But there are great difficulties in the way of allocating general and local revenue. The question—what customs revenue is collected from the Northern ports—what proportion of it comes from the South—what proportion from the outside parts—and what from Brisbane?—must be carefully considered in the formulation of the accounts. The fact has been referred to, that some immigrants come down from Wide Bay and Rockhampton. No doubt the attractions offered in the Southern colonies induce some immigrants to come here, and this creates a disproportion which may disturb the due balance of the accounts. However, I have no doubt a great deal of good will be done by the attention given to the fair appropriation of money to the different districts; and in whatever shape the Bill may pass, good will have been done by an investigation of the accounts and the proportion in which payments and receipts have been made; and I hope, therefore, the result will be satisfactory. My honourable friend, the member for Gympie, referred to the fact that the Wide Bay district was not represented on the commission; but we considered that you, Mr. Speaker, were a very efficient representative from that district, and we always felt that it had ample security for its interests in the great interest you have taken in the subject. I should be happy to hear a general expression of opinion from the members of the commission—who are better informed, I confess, than I am—on many details connected with the form the Bill has taken. There ought to be a critical and reasonable examination of the Bill from both sides of the House. I hope we shall, after discussing the second reading, have arrived at some grounds for indicating in what it may be safe to differ from the commission. We have now a higher court of appeal than the commission itself; and, therefore, the Government are justified in inviting an expression of opinion from both sides of the House on this Bill.

Mr. McILWRAITH: I have said in this House once before, when first I was invited to be one of the commission to inquire into the feasibility of financial separation, that I had grave doubts whether I should take upon myself the responsibility,—and for this reason: that the subject of financial separation has been debated in this House and outside of it for many years—ten years at least—and vigorous and exhaustive discussions have taken place on the subject, not only in this House but by the Press, which represents the general public. When the Ministry, therefore, decided, as part of their policy, to invite the labours of a commission to investigate the subject, it seemed to me a most convenient way of shelving the matter, if not

permanently at least for a session. I consider the country has long had sufficient information before it to justify any Government with conviction on the subject in submitting a Bill to Parliament, and I had very little hope that the commission would add much to the information we already possessed. As a matter of fact, the labours of the commission were not so much devoted to getting statistics and furnishing information as some seem to think, but rather to settling the principles on which financial separation should take place, and at the same time using all the facilities they could for acquiring any possible information on which these principles could be based. If we examine the labours of the commission by the report which has been put before the House, it is clear we have avoided an immense amount of labour and thrown it upon the Government offices. The new information has actually been furnished by the Government themselves, and got up in a very creditable way subsequent to the publication of the commissioners' report. I must say I was much pleased with the alacrity with which the Government followed the report of the commission by bringing in a Bill. That Bill is, to a great extent, founded on the principles which the commissioners established; but the absence of one principle, and the want of unanimity amongst the members of the Government, make me doubt very much whether they really intend to carry this Bill through. The honourable Treasurer's speech distinctly indicated that it was not a party measure; but he left us in some doubt as to whether it was a Ministerial measure. The Premier, however, told us distinctly it was a Ministerial measure; and how it could be anything else I should be at a loss to understand, unless the Government brought it in for the purpose of fooling away the time of the House, and without committing themselves to any policy. Unless this is a matter to which the whole strength of the Government is pledged there is very little hope of carrying the Bill at all. Hence it was with considerable regret that I found a want of unanimity in the Ministerial ranks, and a disinclination to discuss the question. This was evinced by putting up a strong Ministerial supporter to deal with the question from a purely local point of view, while the principal members of the Government avoided the discussion altogether. The Government must undoubtedly be saddled with the responsibility of this measure, and of failure if they do not succeed in carrying it through. I shall be satisfied to take the Bill as it stands, as embodying the labours of the commission, and as, for the present, a solution of the difficulty; and I say this, even with the knowledge that the Government have left out one important provision as embodied in clause 10 of their

report. The principle of that clause may be found in the following words :—

“Should, however, the revenue received from any financial district at any time be insufficient to meet its liabilities, your commissioners recommend that the deficiency should be made good by special taxation in the district concerned.”

That I consider a most important clause. The Bill would be incomplete without it, and the Government, having left it out, have saddled themselves completely with the responsibility; because it shows that they have overridden the decisions of the commissioners and brought forward a decision of their own instead. They have exercised the right of freely criticising the opinions of the commissioners to the greatest possible extent, and, therefore, cannot take up the position that they bring the Bill before the House simply as the recommendation of the commissioners. They bring the Bill forward as the revised decision of the Government on the labours of the commission, and to it the support of the Government must be pledged. I do not see how the Government can get out of this position. The support which the Bill received from the honourable Treasurer in some portions of his speech I can scarcely understand; but no doubt his argument in favour of the Bill, and his objections to it, put together, are sufficient to condemn the whole principle of the Bill. Avoiding the general arguments he brought forward, I will mention two or three which he urged as likely to militate against the usefulness of the measure, and respecting which he said he would be prepared to bring forward amendments. He said the abundance of one district should temporarily make up for the deficiencies of another; but that is entirely antagonistic to the whole principle of financial separation. It would be a most unbusiness-like way of managing our financial concerns, to provide for such a contingency as that in one district the people might be labouring under a plethora of money (which they had made up their minds not to spend), and another district languishing for public works, for which they could not get their funds apportioned. It would be a misfortune to the colony if such a case as that arose. The common sense of the commission perceived that they were not called upon to legislate in such an unbusiness-like way for managing affairs, and that such a contingency would be provided for by the local Legislatures and by the good sense of the Government dealing with the finances from year to year. Then, objecting to one of the many provisions of the Bill—that the customs and excise revenue should be local—the honourable gentleman told us that it would be a very objectionable thing, and gave as a reason why he should object to it, his

opinion that if the customs revenue was local it would be a great bar to the revision of the tariff at any future time, because Northern and Central members, from whose districts comes the principal revenue in the customs and excise, would for the future strongly object to any revision of the tariff which takes away their local revenue. There is force in that argument, no doubt; but it is an argument against the principle of financial separation altogether; and I have simply, as an answer to it, to remark that I do not know any revision in the tariff that will not meet with objections from localities, and that objections would be quite as strong against a revision of the tariff from any district whether there is financial separation or not. This may be a reason why we should use some better methods when we come to the revision of the tariff, but no reason why any district should not have the right to expend the revenue which it raises. I instance these two arguments as brought forward by the Treasurer as illustrating the way in which he advocates the measure. The fact is, he has brought forward very strong objections to his own measure, and perhaps the one I am about to mention makes me still further doubt the good faith of the Government as to their intentions in carrying the Bill. The commission came to the conclusion that the colony should be divided into four financial districts. There was a difference of opinion in the commission, some members considering that three was the proper number, others that it should be four. On the first division it was carried by a majority of five to three, myself voting in the minority, that the division should be four, the point in dispute being whether the Wide Bay and Burnett district should be separated from the Southern district, and be an independent district. The matter came on for discussion, and the principle was submitted again; and through the influence of yourself, Mr. Speaker, pretty considerably, if not entirely, it was thought by the majority much better that we should let the matter go to the Government with the recommendation that there should be four districts instead of three—because, Sir, as you very strongly urged, the Wide Bay and Burnett district being so entirely connected with financial separation, its inhabitants would not accept any scheme which did not disconnect them from the Southern district. Rather than endanger the Bill, I gave my casting vote that the scheme should be tried with four divisions. It was strongly urged that proper provision should be made for this. There was a motion actually on the paper providing for the division of the customs revenue of the Wide Bay and Burnett and Southern district. But the report being drawn up in a way to allow the Gov-

ernment to make this provision either that way or in any other way they deemed suitable for the purpose, it was considered proper to leave the matter to them. This being so, the Government have brought forward their Bill in a most objectionable form to the Wide Bay and Burnett district. They provide that the colony shall be divided into four financial districts, the Wide Bay and Burnett being one, and that the customs and excise shall be local revenue; but they have made no distinction whatever by which the excise and customs revenue of the Wide Bay and Burnett district can be ascertained. That is a failure in the Bill which cannot be said to be a failure of the commission. The Government have made no provision at all; they have simply separated the Wide Bay and Burnett from the Southern district, but without any provision that the revenue of the one shall be distinct from the revenue of the other. And this is a difficulty which occurs only in the Wide Bay and Southern districts. In all the others what the commission had before them was conclusive on the point that the customs and receipts in the different ports could be taken as a fair criterion of the amount of dutiable goods in them. But this did not apply to the Wide Bay and Burnett district, because a large amount of the dutiable goods consumed in it paid duty in the port of Brisbane. This can be seen most clearly from a return they had before them, showing that last year the customs revenue in the Southern district was £1 10d. per head, while in the Wide Bay and Burnett district it was 9s. 4d. per head. Everybody knows there is nothing in the population of the two districts which would lead us to consider there is such a disparity between them, in their consumption of dutiable goods, and, as a matter of fact, they are pretty much the same. The method proposed by the commission was, that the Wide Bay and Burnett district, if made separate, should have a proportion of the gross amount of revenue from excise and customs in proportion to its population—that is to say, for the purpose of carrying out this Act the two districts should be put together and the revenue allocated to the Wide Bay and Burnett districts in proportion to their population. The Government have avoided this altogether; and if the Bill passes in its present shape the injustice will be committed upon the Wide Bay and Burnett district of making it bear a full proportion of the general, and the whole of the local expenditure, while there will be palpably taken away the great sources of its revenue. In assenting to the recommendation of four districts I was animated with the hope of advancing the cause of financial separation; but I am still of opinion that the proper way would be to divide the colony into three districts—the

Southern, Northern, and Central; and I am satisfied that unless a proper provision is made for the adjustment of the revenue of the two Southern divisions, the Bill will not be acceptable to the people of the Wide Bay and Burnett district; for not only will it lose 50 per cent. of the revenue derived from goods consumed inside of that district, but it loses the right to its proportion of the lands of the colony. Anyone looking at a map of the divisions, as laid down by the commissioners, will see that naturally the Wide Bay and Burnett district forms part of the Southern district, but it is cut out from five-sixths of the land for public works and the like, to which, from its position on the sea-coast, it is fairly entitled. The Southern division, with not much more seaboard, extends back to the boundary of the colony, while the Wide Bay and Burnett division does not go beyond the Dawson Range; therefore, although the Wide Bay and Burnett district might think it an advantage, still they would find that eventually they were shut out. We have already devoted almost the whole of the land in the Wide Bay and Burnett district; so that after giving to that district the right of providing for public works out of the proceeds of the land, they will not gain much benefit, as this House has affirmed that their lands shall be appropriated to only one purpose—namely, the construction of railway lines. I am satisfied of this, that if we have objections brought forward such as those made by the Colonial Treasurer, financial separation will never be established by this House. Everyone feels a difficulty in approaching a subject of this kind, and it has been suggested that the only fair way of dealing with it would be, that all the revenue raised in each district of the colony since its commencement should be brought down and credited to each district, and that all expenditure should be debited to each district, and then we should see the actual financial position of each district. This would entail an amount of labour which no commission could undertake, because they would require to find the population of each district for every year since the time expenditure commenced in the colony. What then could be done was, to strike a line somewhere; and the commission struck a line here and said—for the future such a thing shall be treated as belonging to general expenditure, and certain other things as belonging to local expenditure. All revenue raised in the colony shall be local; for although we put down local and general revenue, still it is agreed that all revenue shall be local. It being seen that the part of the revenue put down as local being in such detail, and belonging to so many parts of the colony, and knowing that it would be required for

general expenditure, we put down all revenue as local and all expenditure as general or local; all the general expenditure is to be provided for first, and then the balance is to be spent in the locality. That is the general basis of the scheme. I need hardly tell honourable members that there has been a general feeling of dissatisfaction in various districts with regard to the distribution of expenditure, and they have said that they have not had a fair share of it. I am not going to argue that question; but I think it has been generally admitted that the Northern districts have not had a fair share. So that, as far as the Southern districts are concerned, it will be a graceful position for them to take up if they fall in with the recommendations of the commission, and thus wipe off old scores. But the Treasurer comes in, and tries to confuse the whole thing by proposing to credit the South with all land sold. I believe that land has always formed a part of the general revenue of the colony, and has always been treated as such, and that the great bulk of the proceeds has been spent in the district where it was actually raised. There may be something in the argument of the Treasurer; at the same time it has always been part of general revenue. The complaint has been, up to the present time, that the great bulk of general revenue has been devoted to the Southern and not to the Northern and Central districts. That has been, in fact, the reason given for urging financial separation. Unless we commence at some point we shall never arrive at any solution of the question; but to bring in land revenue, which has always been looked upon as general revenue, and to say that it shall be credited to the districts as deductions from the loan for which the said district is responsible, involves a far wider question. We propose to leave that out of the question, and simply to take up the debt of the colony at the present time and apportion it to the locality where it has been incurred. There is no doubt it will be a little unequal; but that it will be unjust to the Southern districts I am sure will not be the case. I believe that an equitable adjustment of accounts would show a better position of affairs for the Northern districts than the system we propose; but if they are willing to start as we suggest, and say that for the future all revenue is to be local, and be accountable for all future expenditure, no party in this House should consider that the matter has been unfairly dealt with. I am not, with that important exception in clause 10, prepared to say that amendments are not admissible or may not be beneficial to the Bill. The commission was calculated, from its constitution, to give a fair recommendation from every part of the colony. Every point in the report was decided after very careful

and friendly discussion among the different members; and I believe myself that it embraces the opinions of both the Southern and Northern members. There was very little party feeling or political feeling brought to bear in the matter; and I claim for the report that it is much more the embodiment of the opinions of six business men on the subject of accounts, than the embodiment of six men representing different political opinions. I am not committed to every point raised. For instance, the honourable member for Port Curtis raised an objection which I think perfectly sound—I refer to the way in which liability of different districts for the amount of expenditure is calculated. I think the objection of the honourable member is sound, and personally I agree to it. The objection he takes is this—and it is based on the division of general revenue and local revenue, general expenditure and local expenditure. A very small part of the revenue is general—so small that the commissioners did not feel themselves called upon to provide what should be done with the surplus, if any should arise, after meeting the general expenditure. The general revenue goes to the general expenditure; then the local revenue goes in to supplement the general revenue; then the proportion in which the additional general expenditure is to be borne by different districts is to be in proportion to the adult male population,—which is, I think, a sound basis. As it is now, we should really do injustice to a large number of inhabitants who, from the very fact of their congregating together, must be more easily governed than a scattered population in the outside districts. That has always been admitted to be an injustice; and I shall not object to any amendment which will alter the basis upon which that general expenditure shall be borne. There is very little doubt on my mind, from the admissions made by the Premier, and by the peculiar line of politics taken up by him, both in and out of this House—being so strong an advocate of federation—that he cannot approve of such a Bill as this, which provides for separation, although only of a financial character. I am only sorry it should have fallen to the fate of Ministers, who do not believe in the evil as an evil, to provide a remedy, as we can expect very little support from them. Ministers may differ on points of detail; but it is the first time I have seen a Bill introduced into this House by a member of the Government where there has been such an evident disbelief by the Premier in the principles of it, or in the necessity of such a measure. It is quite clear that there is such a difference of opinion on the Treasury benches that it will be fatal to the Bill; but if the Bill does nothing else it will

have had the result of bringing before the colony very ample statistics founded on the basis of the Bill, presuming it became law; thus giving most valuable information to the colony,—information which will carry forward financial separation, and cause it to meet with the approval of the House at some future time. In fact, those statistics deal with one important principle which underlies the whole of the agitation of separation—for up to a certain time it was a matter of dispute how much revenue each district received and how much it was responsible for; but with such tables as these before us there can be only one actual result arrived at. One important objection has been made by the Treasurer, not against the Bill but against the report of the commissioners, which is, that whilst the commissioners decided that the expenditure of the colony should be local, they failed to make any recommendation in regard to it. That, however, was not part of the duties of the commission. At present there are two Bills before the House providing for what the commissioners are blamed for not suggesting—namely, the Local Government Bill and the District Councils Bill; and, therefore, for the commission to have made any suggestions to the Government would have been to do what they were not called upon to do either by the terms of their commission or by the Government. In spite of the lukewarm support the Bill has had from the Ministerial benches, I believe that the House will affirm the principle of it; and if it leads to nothing more it will lead to Parliament, year after year, allocating money to each district, and will lead to the greater benefits of financial separation hereafter.

Mr. GRIMES said it struck him as rather peculiar that the Premier of a Government, who had expressed himself so strongly in favour of federation of the colonies, should be one of a Government to introduce a measure like the present, which went so dead against the principles he espoused. He believed the principle of the Bill would have the effect of working in the direction of disintegrating the colony. He must say that he was at a loss to understand on what principle the commissioners had based their recommendations for the division of the colony, and they appeared to him to propose dealing with the revenue on the basis of the present population, without any regard to what might be the population of the various districts at some future time. The divisions they recommended were of such an arbitrary character as not to provide for the extension of population westward, although every argument used in regard to the Northern, Central, and Southern divisions might be equally applied to the Eastern and Western divisions. He quite agreed with the honourable member

for Maranoa, that the support given by the Colonial Treasurer to the Bill was very lukewarm, and that his remarks had rather been based on the commercial aspect of the matter than directed to the very important question of subdividing the colony into districts. There was, however, a higher idea in his (Mr. Grimes's) mind with regard to the future effect of such a measure. He believed that although at present they were using the revenue from the lands of the colony for present uses, such uses should be for the future benefit of the colony as a rising nation; and he thought they might fairly question the wisdom of the decisions of the commission on the question when they came to look at the component parts of the colony. He was free to confess that the Government made as good a choice as could be made from the representatives of the country in the gentlemen they appointed. He noticed that out of the number there were five members who might be looked upon as connected with politics, and three others who were non-political, who were to assist them in their deliberations; also, that one of the first things done was to give the chairman a casting vote. It happened that at one of the early meetings there came up the question, what should be considered local revenue? and it was decided by the casting vote of the chairman that it should consist, amongst other items, of customs and excise. It appeared to him that upon that mistake the whole of the results of the commission had been vitiated, as he knew of no other country in the world where customs receipts were taken as local revenue. In the United States, which consisted of divisions such as those now proposed by the Bill, it was treated as State revenue, and was devoted entirely to State purposes; whilst the local revenue was that derived from sales of land, and was made up if necessary by direct taxation among the inhabitants themselves, the various public works necessary in the State being carried out by that means. Instead of customs and excise being considered as local revenue they should have been considered as general revenue; and any system of financial separation which would work justly must recognize the fact that those taxes belonged to the colony as a whole. The Government must be divested of the duty of providing local public works, and local boards should have the control of their territorial revenue, supplemented by special taxation, for carrying on the various public works of the district. If any system of local government was to work well it must work side by side with a system of local taxation, otherwise people would not take an interest in it. When they knew that they had not to find the sinews of war, and that what they had to spend was taken from

the whole of the taxpayers of the colony, they would content themselves with doing as they did at present—namely, trying to get as much of the public money as ever they could for their own districts. He should be in favour of any system which gave to the districts of the colony the control of their land revenue for the making of public works, which sum should be supplemented by their own direct taxation. However unfairly, according to the representations of the Colonial Treasurer, it might act in the meantime, it seemed to be the fairest means that could be devised for the whole colony. The apportionment of general expenditure seemed to him to be one that was equally liable to question. It was well known that there were several businesses, as he might call them, in which the Government were engaged, and which were properly connected with the trade of the country. There were certain directions in which the public money was expended which were intended for the benefit of trade and commerce and other pursuits. Postages, telegraphs, and other similar items, were properly charges upon the trade of the colony, and ought to be borne by those who were actually engaged in trade or commerce, or occupations of some kind or another. On reference to the tables he found that the Southern portion of the colony was settled by what he might call an agricultural population. Other portions of the colony were settled with a population more or less engaged in mining pursuits; and other portions in pastoral pursuits. The export trade of the colony amounted to between two and three millions of money, and nearly the whole of the exports were sent to the United Kingdom. There would be no necessity, as far as the agricultural population were concerned, for opening up a more speedy communication with England; but there was that necessity as far as those who were producing gold and wool were concerned. A speedy transit between the two countries was a necessity to them, and the benefit derived therefrom went into the pockets of those engaged in these enterprises. Postages, telegraph, and other items of a like character were properly charges upon trade, and to charge them upon the people, who numbered perhaps as three or four to one of the producing population, according to gross population, would be decidedly unfair, and would be felt by those who were called upon to pay as being monstrously unjust. A few evenings ago, when the Railway Reserves Bill was under consideration, he made a remark that that measure would be unfair to the Southern portion of the colony, inasmuch as a great portion of the land there had been already reserved. His remarks were called in question, and no

doubt rightly, by the honourable member for Maranoa. But when it was considered that there was a large portion of the land running back to the western boundary of the colony which was unalienated, and might, if the principles of the Bill were adopted, be separated from the Southern district and formed into a little district of its own, it would be seen that the amount of land revenue of this portion of the colony had been nearly all absorbed into the general revenue. The Colonial Treasurer had remarked, that in the Northern portions of the colony the land revenue was very small. When they came to consider what was involved in that remark they would see that the fact of the small land revenue indicated that the proportion of settled population in those districts was very small indeed; that they had obtained no fixity of position which would entitle them to have that part in the councils of the colony to which they would have a perfect right were they actually there as settlers. He noticed that it was proposed in the Bill to make education a local expenditure. Much might no doubt be said in justification of that; but he maintained that young persons who were now rising up in the colony entertained feelings in connection with it which it was impossible for those who had only just come from the old country to entertain. It was to them their home, their native land; and the House must look upon them as the future permanent settled population and representatives of the colony. What was spent upon them in order to fit them to fill the stations they would hereafter be called upon to occupy in the colony should not be considered a local but a national expenditure, and one which should specially distinguish Queensland from any other of the Australian colonies. If they were to carry out in their integrity the ideas put forward by the Treasurer, they would be governing the colony on no other principle above that of pounds, shillings, and pence; and such a course would be one that sooner or later they would have cause to regret. It was well known that in the Northern districts of the colony a great portion of the population came from New South Wales or Victoria, and that in many cases their families were still residents in those colonies; and, indeed, that they were only connected with Queensland by the fact that they were gaining their wealth here. In fact, they had not that interest in its welfare as would entitle them to a voice in the representation or the appropriation of the expenditure of the district where they happened to be working, or as they would were their wives and families with them, which would be an indication that they intended to make Queensland their home. He did not know on what ground they could object to Chinese coming into the colony because they did

not bring their wives and children with them, when they allowed the principles of the Bill to be adopted with regard to white men whose families resided in other colonies. What interest they could possibly have in the future of Queensland he could not say, for as soon as they had used the colony for their own purposes they would go away and spend elsewhere the money they had gained here. He admitted the desirability of anyone with a stake in the country having the fullest exercise of power in the councils of the people; but until there was some natural guarantee of this kind they would be liable to have their policy and revenue interfered with in such a way as might pledge the colony to enterprises and courses of action which it would be a long time before the colony would be able to get over. When it was seen that the proportion of what he might term the unproductive population in the Northern districts of the colony with the productive population was as three to one, and in the Southern district was more than four to one, the consequence of passing this Bill would be that there would nearly be one-fifth of difference in the apportionment of the expenditure in favour of the North as against the South, which contained the only elements that would go to form the future State of Queensland. Supposing, in course of time, war should be declared, and some system of defence required, he did not see how that expenditure was to be apportioned. It might fall very heavy on some particular portion of the colony where attractions to a hostile fleet were held out. Take Moreton Bay for instance: Supposing it should ever become necessary to keep up an armed force or an ironclad for the defence of that place, the expense thereof ought never to form a portion of the local expenditure. If it were to do so, Government would have altogether abnegated its functions, and would have nothing to do except to look after the salaries of itself and its officers. To the Southern portions of the colony it had been usual to send lunatics and prisoners from the North, and also boys to the Reformatory school, who would also count for the general population. If the Bill were to pass this would be an absolute benefit to the Northern portion of the colony, as it would not be chargeable with their contribution to general expenditure. The practical result of its working would be like some of the old settlement laws in the parishes of England, where the guardian objected to a large family coming to the place on the ground that some of them might become eventually chargeable to the parish. So, in the Northern portion of the colony, it might be looked upon by those residing there that the presence of people with large families was undesirable, inasmuch as everyone coming there

would increase the portion of what would have to be paid by that district to the general expenditure of the whole of Queensland. As far as he could see, the principles of the Bill were unjustifiable; and if they were affirmed now, they would have to be affirmed also when settlement stretched much further into the interior. When honourable members looked at the question in that light they could not, he thought, fail to see that the measure was inadvisable, and that it could only result in splitting up the colony into twelve or thirteen petty States. He should vote against the Bill.

Mr. MACROSSAN: I think, Sir, it is as well for the party to which that honourable member who has just sat down belongs that he had very little to say in shaping its policy, or otherwise it is quite certain that the party would not exist many weeks. Never did I hear in this House such barefaced charges of spoliation and robbery used by any individual as by the gentleman who last addressed the House. The people of the North are not to have anything done for them because they have gold-mines, and do not settle on the land; and until they settle on the land they are to have nothing done for them, and yet are to pay for the postage of the imaginary agriculturists that the honourable member supposes that the whole of the Southern portion of the colony consists of. We have some statistics which go to show that out of the whole of the lands of the colony that have been sold there are only 77,000 acres under cultivation, and the greater portion of that area—I may say even nine-tenths of it—is under nothing but artificial grasses. There are really only 3,000 acres of land cultivated in the whole colony; and yet this honourable gentleman talks about the agricultural population as having a right to live upon the wool-producers and gold-miners of the colony. The only thing he did say worth answering was in relation to the customs revenue not being appropriated in any other State or country for local purposes; and he instanced the United States of America. Certainly it was very proper to take an argument from the United States, seeing that that country is divided into a number of almost independent States joined in a federal union; but the argument tells against the honourable gentleman considerably. No doubt the customs revenue there, as it is elsewhere, is taken for general purposes; but the whole of it is wanted there for general purposes, and so stringent is the federal laws that not one penny, even if they had a million overplus, can be applied to local purposes. That is not the case in this colony. Here the customs revenue is applied for the beautifying of Brisbane, the opening up of the colonial trade, the building of railways, and every-

thing else of local use and benefit. In fact, the only argument which the honourable gentleman did use is one which turns upon himself with great force. As a member of the Royal Commission which sat on this financial separation question, I am bound to state the reason why I accepted a seat on that commission. It was this: I have had my doubts ever since I became a member of this House of the sincerity both of this Government and its predecessor with regard to financial separation, and I knew that as long as any excuse could be devised by which a scheme of the kind could be put off, it would be so devised. I accepted a seat on that commission at great inconvenience to myself, solely for the purpose of depriving the Government of any excuse for not bringing in a measure of financial separation, and at the same time of being able, by the production of documents from the Treasury, to authenticate and establish a strong case for the outside districts of the colony, which have not hitherto had the benefit which they ought to have had from the revenue derived from them. The principles of financial separation have been fully debated and understood for years past, both by this House and the country, and the general principle of the scheme has been argued twice in this House—once since I became a member, and once before, at the instance of the honourable member for Port Curtis. There is really, therefore, no necessity at present for discussing the general principle of financial separation; and I did not come here this evening with the intention or expectation of doing so, but merely to go into the details of the measure, and see how far they answer the purpose for which the Bill is intended. I may say that whatever doubts I had before of the sincerity of the Government have not been dispelled this evening. I certainly cannot expect now, from what has been displayed this evening, that this Bill will go through the House, unless it is forced upon the Ministry by the members of the Opposition. We have the extraordinary exhibition of a Bill introduced by a Government, actually spoken for, and advocated and defended by, members of the Opposition; and spoken against by the very gentlemen who are responsible for its introduction. The Colonial Treasurer, in his opening speech, as far as he possibly could, damned the Bill with very faint praise, and treated it in a way which might be expected from one who was opposed to it. Almost the only thing he agreed with in the Bill was that customs should be local revenue, and he even criticised and objected to that in such a way that any member opposed to it might very easily find an excuse for voting against the Bill. The Premier was not satisfied with damning it with faint praise, but he damned

it entirely. He went so far as to say he did not believe in financial separation, but that he had always been a consistent advocate of territorial separation. Does that at all square with what he said a few nights ago when the Railway Reserves Bill was under discussion? When he was driven from point to point, and beaten from argument to argument, he took up the only position left to him—namely, that the Bill was in a certain degree a measure for financial separation; and now he tells us he does not believe in financial separation. Can inconsistency go further? I will read his own words, so that there may be no mistake. On the second reading of that Bill, after going through the grounds of opposition to it, he said—

“It is much more justified from the fact that in this way we do provide a practical form of what has been for some time talked about, and concerning which a commission has been investigating the accounts of the colony. I refer to financial separation, of which we have a practical illustration in this Bill.”

So much for the support which this Bill and its advocates can expect from the Premier and the whole Ministry. We have been told to-night, by both the Ministers who have spoken, that there is a difference of opinion in the Ministry concerning this Bill, and that they will vote as they please on it—

The PREMIER: No.

Mr. MACROSSAN: That was my impression. I think I am as responsible for the Bill as anyone else is, and I may say that I approve entirely of its principles, because the leading principles contained in it are more or less those which either I myself proposed in the commission or which I advocated; and consequently I cannot say anything else than that I am in favour of the principles of the Bill. And I think that any honourable member of this House who really understands the question of financial separation, and who has listened to the many speeches that have been made upon it here, and has benefited by what the honourable member for Maranoa has said in regard to the opinions entertained in the different districts of the colony as to the expenditure of the revenue, can have no doubt that a measure of this kind is really wanted, and that the Bill which is now introduced is one which will practically meet the demands of the people in the Northern, Central, and Wide Bay and Burnett districts. There are, no doubt, two sides to every question; but it is a very unusual thing, I think, for an honourable gentleman who introduces a Bill to take sides and oppose it. I hold it would have been quite sufficient for the Colonial Treasurer if he had just introduced the measure, and allowed others to find fault with it. He said, in relation to a question on which I scarcely understood him—that is, in regard to the public

lands—that the districts in which the public lands had been sold should receive credit for the proceeds; and we heard from him and the honourable gentleman who spoke last, that the lands of the district had been sold for the purposes of general revenue. How many acres have been sold altogether? One would imagine, to hear these honourable gentlemen talking, that all the lands in the Southern portion had been alienated for revenue purposes, and that the lands in the other districts were still intact. I will just direct the attention of honourable members to the area of the different districts. There are in the South 154,000 square miles—I believe that is under the mark,—whilst the quantity sold in the whole of the colony has been 7,000,000 acres; and 7,000,000 acres is a very small proportion of 154,000 square miles. Allowing, however, that every acre had been sold in the Southern district, the argument would still be worthless. The Colonial Treasurer told us that something like £3,000,000 worth of land had been sold. He claims also that the greater portion had been sold in the Southern district, and devoted to general purposes, and that an injustice would be done if that was not taken into account when considering the principles of this Bill. I for one would not be disinclined to allow him this demand to the fullest extent; but before doing so I would remind him of a fact which he very well knows, that before it is possible to make a readjustment the department over which he presides ought to be able to render a strict and true account of the whole of the transactions of the colony since Separation. That he will not be able to do. I believe that he will find that it is impossible to give a correct account. Such an account was asked for by the commission, and we were told that we could not get it. But if it were possible to readjust the whole of the receipts and expenditure for every year since Separation, I feel confident that at least that district, a portion of which I represent—I mean the Northern financial district—will come out of that inquiry even better than it does under this Bill. The sum of £2,658,000 has been paid from the revenue for interest upon loan. How many pounds can fairly be debited to the Northern financial district? If the accounts could be furnished year by year since Separation, I have not the slightest hesitation in saying that the revenue in the Northern financial district will be found to have exceeded the whole of the amount expended by loan or from the general revenue. I maintain that, if this account were given, not one penny does the Northern financial district owe. Still, we have paid between £400,000 and £500,000. Taking these figures—taking the population of the North, and the proportion of the revenue that has been received from it—we find that we have paid over

£400,000 as interest upon a debt from which we never derived advantage; and yet the honourable gentleman introduces his land question as one by which he can possibly damage the Bill. But there is another large item that he has overlooked—the item of immigration. Every member of the commission was actuated more or less by the motive to try to let bygones be bygones, and establish a principle upon which the colony should in future be equitably governed. For the purpose of conciliation we were willing to give up the position of outside districts upon points which were strictly tenable. I did so, and I know that others did. Over £1,100,000 have been expended upon immigration, reckoning what has been spent by loan and from the general revenue. How much of that amount can be debited to the Northern district? I will give the Colonial Treasurer his own figures, so that he may not cavil at what I say. The amount was £40,367 19s. 7d. out of £1,100,000. Taking these items alone, I say that the Northern district would come out of this inquiry much better than it will if this Bill passes. I am not afraid of a readjustment of the land question; and I am quite sure that the Central and Wide Bay districts stand equally as well, or nearly as well, as the North does. Something has been said about the principle of this Bill being carried simply by the casting vote of the chairman; and that remark compels me to enter into the constitution of the commission. If we examine that constitution we find that you, Mr. Speaker, and I, representing Northern electorates, were appointed to that commission. Practically you were appointed as much because you were supposed to understand and had at heart the interest of Wide Bay as well as the North. I say that you were a double representative. Then there was the honourable member for Maranoa, who represents the Western district, and who, by reason of his very great interests, understood the Wide Bay and Burnett district. The honourable member for Springsure represented the Central district. That gives four members—the half of the commission. The other four members—that is one-half of the commission—represented the South; and yet the gentlemen who represent other constituencies actually speak in this House as if that commission was one that was biased in favour of the outside districts. For the South there was the honourable member for Stanley; also the Colonial Treasurer, who had a strong bias in favour of the South—although I am bound to do him the justice of saying that he exhibited great equity and a strong sense of justice; still he could not help being biased in favour of the South, and showing it occasionally. The other members were also strongly biased in favour of the South,

being merchants of Brisbane or closely connected with the mercantile interests of Brisbane. We find that upon every important principle, upon every leading question—upon every question which the political members of the commission understood, it may fairly be maintained, much better than the non-political members—four out of the five political members voted side by side. That shows, at any rate, that we were actuated by an intention to do justice to all the interests of the colony. I know that I tried to conciliate; and the fruit of it was that I consented to immigration being debited to the "general debt," although my district was only entitled to be debited with £40,000 out of the total amount. Why, Sir, the amount of debt which is put on the Northern district for immigration is actually as great as the whole of the local debt of the district; and yet the Colonial Treasurer, in conjunction with other honourable members who have spoken, seems to think that the outside districts gain some benefit to which they are not entitled. We have been a long time agitating for financial separation, and so much did the members of this House seem to be agreed upon the necessity for it, that in 1875, when I introduced my motion for the purpose, it was allowed to go without division. Not a single member rose to speak against it, if I may except the honourable the Premier, who, then as now, stated that he favoured territorial separation. Now, whatever the Premier may think about territorial separation, I think that is not the question he should advocate as Premier. If he wishes to advocate it, let him abdicate his position as Premier and advocate it as a private member, but not as Premier of the colony and leader of the Government. In criticising the Bill, as we have been invited to do, I have criticised it for the purpose of excising as much as possible. The honourable member for Port Curtis made some objection to clause 8 in conjunction with clause 2. I did not quite get his meaning; but I know that he said it was unfair that the deficit in general revenue should be apportioned to the general population of the colony—that it should be borne by the gross male adult population. I don't know whether he intended to include Chinese and Polynesians; but if he did, then I would certainly take a strong exception to his argument.

MR. PALMER: No.

MR. MACROSSAN: In that case I am quite willing to go with him. If he does not include them I am one with him.

MR. PALMER: I don't call them population at all.

MR. MACROSSAN: In that case it would certainly be a fairer basis, and I for one am quite willing to go that length and to amend the Bill in committee. There is

another point upon which the honourable member for Maranoa spoke—that is, the adoption of the Wide Bay and Burnett district as a financial district. I believe that the people of that district hitherto have been strongly in favour of financial separation and of being made a separate district. There is, therefore, nothing in the Bill which would be unjust. I know that the proposal met with their support under the Bill introduced in 1872. I have never heard that the people of that district or the members object to be made a separate district; and I maintain that the commission, in spite of the protest entered by the honourable member for Bulimba, were quite justified to take into consideration the wishes of that portion of the colony. I say the commission were as much justified as the members of this House are. We meet here, not for the purpose of consulting our own individual interests and propensities, but we are here to represent certain opinions—it may be prejudices,—and I do not think we are doing our duty if we do not, as far as possible, and consistently with justice and our own consciences, represent such opinions. I maintain, therefore, that unless the representatives of Wide Bay and Burnett district object to that district being created a separate financial district we are bound to take their wishes into consideration. If they object, well and good; they will then be responsible to their constituents; and I am willing to go that far and amend the Bill. I maintain that no member should object and protest that the commission drew an arbitrary line in forming this district. Whatever line was drawn might be called an arbitrary line. But I contend that, if the district is to be a separate one, the line that has been drawn by the commission is the correct one. I do not think I have any other objections, or any other amendments to make to the Bill, because, as I stated at the outset, the Bill contains the principles upon which financial separation should be granted. It is no concession, as has been stated by an honourable member. I will never admit that the dealing of even-handed justice to all portions of the colony is a concession—it is what we have a right to demand; and so far from being a concession, it should be looked upon by this House as a boon and a privilege that it can be the means of binding this colony closer together and preventing territorial separation. I maintain that if financial separation is not carried this session a demand will arise for that territorial separation which some honourable members—in fact I believe the majority—are not favourable to granting, and which I believe it will not be wise to grant as long as financial separation is untried or there is any hope of attaining it. But once let that hope be done away with—once let

that hope die out of the people of the Northern districts—honourable members may depend upon it that a cry will arise for territorial separation that must be attended to. And I for one, as a representative of a portion of that district, I say, that if financial separation is not granted in such a way as to do justice to it and the other parts of the colony, I for one will join in that cry, even if it should be at the expense of making the North a separate Crown colony instead of a representative one. I am quite willing to look in the face the objection that can be urged to making it a representative colony, owing to the large influx of Chinese as compared with that of Europeans; but I am prepared to give up the privileges and advantages of a representative colony, with representative institutions, in favour even of a Crown colony, sooner than be obliged to submit, as we have done for years, to see our revenue, which is as much our own as the earnings of any honourable member of the House are his own, misappropriated upon local public works in the South. I shall give the Government every support in passing the Bill through committee. I hope it will pass the second reading without division. If any honourable members have conscientious and honest objections to the Bill let them try to amend it in committee; but let us try and do so in such a way as will do away with the grievances of the North in connection with separation, either territorial or financial. I am quite certain that, if honourable members will disabuse their minds of the idea of there being any demand for anything that is not just, and will meet this Bill as it ought to be met, it can be made a good and lasting measure—not a tentative one, as the Colonial Treasurer said. There is nothing tentative in this Bill; it is the only way the difficulty can be solved. I forgot to mention that I object to the recommendation contained in the 10th paragraph of the commissioners' report being omitted from this Bill. That is a most important and integral portion of the report; and I ask the Colonial Treasurer if the omission of that portion of the report from this Bill is not tantamount to a denial of the practical benefits of financial separation? If we pass the Bill without this principle, then there is no security that one district will not be called upon to pay the debts of another, and without that, what is the use of financial separation? Financial separation means that one district shall not have its revenue appropriated for public works in another; and it can only be in an excessive expenditure on public works that a deficit can arise—in which case I hold that the particular district should alone pay for it. If that principle is left out of the Bill there will be a serious defect in the measure. I, therefore, hope that the Colonial Treasurer will see his

way clearly to accept it in committee. I do not see what reasonable objection any honourable member can have to it. Nothing can be more reasonable; and, so far from it being a petty parish system, as asserted by the member for Bulimba, this is an Imperial system of federation, under which each district pays its own share of general expenditure and local expenditure. That is the system prevailing in the United States, where each State contributes its proportion to the general expenditure, and receives no aid from any other State for local expenditure. It is the same system which prevails in England and Ireland. How any honourable member, having a sense of justice, can object to a system which obtains in two countries with which we are so intimately connected I cannot understand. I think such honourable member must object on reasons quite other than reasons of justice. I have nothing more to say. I will give the Bill my hearty support, and I hope that it will pass, and be the means of settling what has been a vexed question, which has been before the colony for the last ten years. There has been no public question which has been before the country for a greater length of time; there is none which has been more debated and discussed, both in the Press and in this House; and it is too late now to say that more criticism and information are required. The question is fully and fairly understood, and if the Bill is met in the way it ought to be, we will make it a good measure and acceptable to all parts of the colony.

Mr. J. SCOTT said that so much had been said on the subject before the House that little remained for him to say; but he approved of the measure, so far as it went. In his opinion, the omission in the Bill of the 10th clause of the report was an evidence of the *bona fides* of the Government, as the Colonial Treasurer explained that they had done so lest it might complicate the Bill. If there was any part of the colony more likely than another to fall short in the revenue raised to meet its home expenditure it would be the South, and, therefore, the Southern members—a majority in the House—would vote against a clause which provided for local taxation to meet such expenditure. He thought, therefore, that Ministers were either determined to pass the Bill or entertained a well-grounded fear that the House would pass it, and, therefore, wished to omit the clause so as not to make it so damaging to the Southern districts. The Ministry, he thought, would not oppose the Bill, although they would evidently give it but small support. The honourable member for Port Curtis had raised an objection to the erection of gaols being charged to general, while lock-ups were charged to local, expenditure. This divi-

sion had been made in order to follow out the principle of placing the administration of justice under general and police under local expenditure—gaols belonging properly to the former and lock-ups to the latter department. With regard to the Wide Bay and Burnett district, he might say that when it was proposed taking away a portion of the Leichhardt he thought it was to be added to this district. He found, however, that the portion referred to had been taken from the Central and added to the Southern division. The apportionment he had recommended would have been fair, but he could not see the fairness of the division that had been made. He would not delay the House with any further remarks, but would announce his intention of supporting the Bill.

Mr. BEOR said that there was one principle in the Bill which would give satisfaction to all that were desirous of seeing a fair and equitable division of the expenditure of the colony. It recognized, in a general way, the principle that finances raised in any part of the colony should be expended in the same part. The honourable member for Bulimba disapproved of that principle, and seemed to claim that, however wide an extent of country might be included in the colony, the expenditure of the finances raised all over it should be mainly directed towards the capital. No doubt that honourable member might fail to recognize in this statement what he had actually said; but that was the impression which his remarks conveyed to his (Mr. Beor's) mind, and the conclusion he was led to draw from his speech. He asked, for instance, if, in the case of war, Moreton Bay was threatened by a hostile fleet, the cost of defending the menaced locality would have to be borne by its local revenue? He (Mr. Beor) failed to see anything strange in the supposition that it would have to do so. What interest would Townsville, Cooktown, or Bowen have in driving away a fleet which menaced Moreton Bay? He failed to see that any community of interests existed between the far North and the far South—that there was anything in common between them except the language they spoke and those feelings which were shared by all colonists. He must admit that the general principles of the Bill were good; but it was not the measure he liked to see. He shared, although perhaps he was alone in sharing, the opinion which had been expressed by the Premier; and he, too, believed that nothing short of territorial separation would satisfy or mete out full justice to the North. He thought that, with the exception of the Premier, he was alone in that belief; but he would not long remain alone. He intended to vote for the Bill, partly because he felt confident that when the North got financial separation it would not be satis-

fied with it. He must confess, however, that the speech of the honourable member for Kennedy had filled his mind with a certain degree of diffidence on the subject. When he saw a member so much better acquainted with the wants, feelings, and wishes of the people of the North than he could pretend to be declare that they would be satisfied with the present Bill, he was certainly shaken in his opinion. But, on the other hand, he was supported in it by a leading member of the House, who had, he was informed, taken an active and prominent part in procuring the separation of this colony from New South Wales. When he found his belief thus supported, he was inclined to adhere to it, notwithstanding the adverse views expressed by the honourable member for Kennedy. If he (Mr. Beor) were inclined to pursue a crooked course he would oppose the Bill now before the House, for he knew that the honourable member for Kennedy had the interests of the North at heart, and if he found himself unable to procure from that House what he considered a just and proper measure, he would then try his utmost to bring about territorial separation. Still, he believed the present Bill would confer some benefit on the North. It was intended to enable the revenue raised to be expended there, and this alone would be a long step in the right direction; but he doubted whether the measure was not too incomplete even for that purpose. It seemed to him that a strong objection to the existing financial system lay in the fact, that from the capital it was administered in the most distant parts of the colony, with which communication was necessarily poor and inadequate. He could not help, at this point, referring to a speech lately made by the Governor of New South Wales at Albury, in favour of federation, which at the time created almost a rage for it. The speaker used an illustration which struck his hearers very forcibly, and struck him (Mr. Beor) in a different manner from other people. The Governor called attention to the fact that all the countries of Europe, Great Britain included, had formerly been divided into a number of small States, and he observed that from the time of the Heptarchy the tendency among them had been to coalesce. From this fact he drew the conclusion that it was now time for Australia to coalesce. This was the conclusion drawn by the Governor of New South Wales; but he (Mr. Beor) would ask if the present condition of the colony, as far as communication was concerned, did not more resemble that of Great Britain at the time of the Heptarchy than at the present time? To compare the colony with any part of Europe, as far as communication was concerned, was absurd; and it would be impossible to govern it equitably from the present capital so long

as the Central Government was not able to communicate speedily with all other parts of the colony, and was not able to acquire even a superficial knowledge of the country which it governed. How many, he would ask, of the forty-three members of that House had visited Cooktown?—and how many of them knew more of that country than he himself did when leaving the shores of Great Britain? What sort of knowledge had they to qualify them to legislate for that distant part of the colony? There were not a dozen members of that House who had sufficient knowledge of the North to qualify them to vote on measures affecting it. A suggestion had been made by the honourable member for Port Curtis, that the members representing each portion of the colony should have a potent voice in the administration of the finances, by being formed into committees of advice. This suggestion would go a long way to meet the difficulty; it would insure, at all events, that the advice should come from men acquainted with the particular part of the colony to which it referred. He would, however, prefer to see the administration of the finances put into the hands of persons resident in those portions of the colony in which they would be spent. There would be nothing more conducive to the formation of an independent spirit than such a plan. It had been found beneficial to Great Britain, and would be most useful in this colony also. Still he would not like to see the administration of local revenue placed, as in Great Britain, in the hands of nominees of the Government. There the population was large and wealthy, people were numerous, and those placed on the commission of the peace were not likely to be influenced by the Government. Here, on the contrary, there might be a danger that persons so nominated might become tools of the Government. He thought, however, that an elective system would work well, and he would like to see the finances administered by residents so chosen, and who would best know how the money ought to be spent. The measure under consideration was unsatisfactory to him. There was, he believed, a disposition in this part of the colony to regard with contempt any declaration in favour of territorial separation, and it would probably be disapproved of by ninety-nine out of every hundred Southern residents. This was not unnatural, as no doubt it was considered that territorial separation would be contrary to the interests of the South; although, for his own part, he did not believe that it would, while it would certainly be very advantageous to the North. Still, he was inclined to accept what could be obtained. It would be seen sooner or later that this measure would not meet the difficulties which it was expected to overcome, and then it would be

seen that no certain basis for accommodation could be found except in territorial separation. Even the customs question, which had been mentioned, would illustrate how far from satisfactory this measure must necessarily be, for the greater part of the goods intended for the North were taxed here, and the money went to the support of the South. Still, for the reasons he had given, he would vote for the Bill.

Mr. FRASER said if the second reading of the Bill came to a division, which he did not think it would, he would support it. He thought that the remarks of the honourable member for Kennedy were uncalled for, when he said that if financial separation was not granted the North would demand territorial separation. He must have known that a very strong feeling existed against territorial separation, and he should have done more justice to honourable members on both sides of the House than to fancy they would be influenced in their desire to act fairly by such a threat. Nor did he think that the constitution of the commission was open to the remarks he made upon it. For his own part, he considered it more favourable to the North than to the South. He thought that if this measure of financial separation was likely to allay the dissatisfaction of the Northern districts, and would tend to cement the union between North and South, he was disposed to give it a fair trial. No doubt there would be many difficulties in the way of getting such a measure into practical operation. It was not likely to work smoothly all at once; but he thought, if met in a fair spirit, those difficulties could be overcome. It had struck him, in listening to the speech of the honourable member for Bowen, when he said that the inhabitants of Townsville or Bowen would have no interest in repelling an invasion of Moreton Bay, that it was exactly equivalent to saying that London would not be interested in an attack on John-o'-Groat's. As to the views he had expressed about territorial separation, he (Mr. Fraser) might remind the honourable member that they were disappearing altogether. A few years ago they used to hear about separation between here and Rockhampton; now it had gone further North, and soon it would disappear altogether, and the honourable member would find himself entirely alone. Looking at the 10th clause of the report of the commission, he found that if it had been embodied in the present Bill it would have necessitated the creation of a complete organization. It recommended that, in the event of a deficient local revenue, special taxation might be imposed on the particular district. Who was to impose this taxation—the House? If so, the provision would be opposed to the spirit of this Bill. It could not be done without a special organization, which was not contemplated

by the present Bill; but the Government were, he believed, preparing a Bill that would provide it. The honourable member for Bowen had alluded to the present Premier as taking an active part in procuring the separation of this colony from New South Wales. He held that there was no analogy between the circumstances then and now. At that time this part of the colonies was so remote from the centre of Government, and communication was so difficult that it might as well have been at the antipodes. It was not so with the North at present; there were regular steamers, besides telegraphic communication. In fact, they were better able to attend to the interests of the North, and communicate with them, than had been the case in Great Britain sixty or seventy years ago. He considered the arguments adduced in favour of territorial separation very feeble. He hoped that this and other kindred measures would do away with the feeling of dissatisfaction now felt, and that territorial separation would be heard of only as a thing of the past.

Mr. MURPHY said he would support the Bill as an equitable measure, and one that would do equal justice to all parts of the colony; and it was on this ground, and not from the merely local point of view, that he supported it. The remarks made by the honourable member for Bowen were quite proper on the second reading of such a measure as this. That honourable member very properly submitted to the House the views that he had laid before his constituents, and on which, no doubt, they had elected him. He was, therefore, quite justified in taking what appeared to him a good opportunity of enforcing his views. He thought, however, that this measure of financial separation was an equitable one, and, if properly worked, would prevent the raising of such a cry as that suggested by the honourable member for Bowen. It seemed to him that at present, with the limited population in the Northern parts of the colony, it would be undesirable to bring about territorial separation; and he believed that if the principles enunciated by the Bill were properly carried out it would prevent any outcry for such separation. Whether the results that were looked for by the passing of the Bill would be brought about time only could tell. It might be that when the accounts came to be adjusted, and accounts were kept of the receipts and expenditure of each district, it would be seen that so much injustice had not been done to the North as had been so frequently asserted. Speaking of the district he represented, from a return which he had had furnished he found that it appeared to have been fairly treated; and he must say that he was much surprised to find that the expenditure in that district had gone fairly hand-in-hand with

the revenue, or with the receipts from it. The return seemed to show this state of things, although the district, as a newly-settled one, still required a large expenditure for roads and other necessary public works. The honourable member for Bowen alluded to the measure as being scarcely likely to bring about what was desired, through the difficulty of communication between one part of the colony and another, and said that the Government could hardly communicate with the Northern districts so frequently as was necessary for them to do; but the fact was that it was as easy to telegraph to Cooktown as it was to Rockhampton, or easier; so that the honourable member was somewhat mistaken. And, presuming that the Bill was passed, there would be no difficulty whatever in meting out justice and fair play to the most distant parts of the country. The Bill was founded upon the report of a commission, which appeared in all respects to be a very fair and just one, and which showed on the face of it an anxiety to do justice to all parts of the colony alike. The Bill was also a proper one, and seemed calculated to bring about the object sought by it; and he could promise that, so far as his assistance was concerned, he should be happy to give the Government the benefit of it to bring the measure to a successful issue.

Question—That the Bill be read a second time—put and passed.

The committal of the Bill was made an Order of the Day for the 21st August.

DESTRUCTION OF MARSUPIAL ANIMALS BILL—FIRST READING.

On the motion of the PREMIER, a Bill to facilitate the destruction of marsupial animals was read a first time, ordered to be printed, and the second reading made an Order of the Day for Friday next.

AUDITOR-GENERAL'S PENSION BILL—COMMITTEE.

On the motion of the COLONIAL TREASURER, the House went into Committee of the Whole for the consideration of this Bill in detail.

Preamble postponed.

The COLONIAL TREASURER moved clause 1, viz.:—

"The Auditor-General for the time being shall be entitled on his having attained the full age of sixty years and having served in that office for fifteen years or on his having attained the full age of sixty years and being disabled by permanent infirmity from the performance of the duties of his office to demand a pension by way of annuity to be continued during his life at the rate of £500 per annum. Such pension shall grow due from day to day but shall be payable on the usual monthly days of payment or at such other times as the Governor in Council may direct."

Mr. PALMER said he thoroughly dissented on the second reading of the Bill from the making of any provision for future Auditors-General. By this clause they were initiating a pension list. He believed the present Auditor-General was entitled to compensation, and would propose as an amendment—

“That the present Auditor-General shall upon his retirement from that office be entitled to a pension of £500 per annum payable monthly.”

After some discussion,—

Clause 1 was negatived, and Mr. Palmer's amendment was proposed as a new clause, which was, after some discussion, put and passed.

The COLONIAL TREASURER then proposed a new clause, to follow clause 1, providing—

“That whenever any officer of the Civil Service under the operation of the Civil Service Act of 1863 shall be hereafter appointed to the office of Auditor-General such officer shall on attaining the age of sixty years or being disabled by permanent infirmity from the performance of the duties of his office be entitled to the same retiring allowance to which he would have been entitled had he continued to be an officer of the Civil Service under the operation of the said Act.”

New clause put and passed.

Clause 2 put and negatived.

Clause 3—“Short title”—passed as printed.

The preamble was passed with verbal alterations, and the title was altered to “A Bill to confer certain privileges upon the Auditor-General.”

The CHAIRMAN reported the Bill with amendments and an amended title, and the third reading of the Bill was made an Order of the Day for to-morrow.

The House adjourned at twenty-seven minutes past ten.