

Queensland



Parliamentary Debates  
[Hansard]

**Legislative Council**

**THURSDAY, 4 SEPTEMBER 1879**

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## ERRATA.

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- Page 67, column 1, fifteenth line from bottom—*read* “horses worth £500,” *for* “five hundred horses.”
- Page 197, column 1, twelfth line from bottom—*read* “enure” *for* “ensue.”
- Page 197, column 2, twenty-first line from top—*read* “enured” *for* “endured.”
- Page 224, column 1, twenty-fifth line from top—*read* “ten” *for* “four.”
- Page 226, column 2, twenty-seventh line from top—*read* “the old” *for* “his own” country.
- Page 243, column 2, fifth line from top—*read* “first three items” *instead* of the words printed.
- Page 317, column 1, thirteenth line from bottom—*read* “not” *for* “but.”
- Page 324, column 2, eighteenth and nineteenth lines from top—*read* “but every title must be endorsed with the encumbrance, which, in future transfers, would involve an expense,” &c., *instead* of the words printed.
- Page 366, column 2, twenty-eighth line from top—*read* “none” *for* “one.”
- Page 391, column 2, sixteenth line from bottom—*read* “recess” *for* “session.”

## LEGISLATIVE COUNCIL.

*Thursday, 4 September, 1879.*

Conduct of Business.—Loan Bill.—Life Insurance Bill.

## CONDUCT OF BUSINESS.

There not being an absolute majority of the whole number of the Council present,

A notice of motion standing in the name of the POSTMASTER-GENERAL, for the suspension of the Standing Orders, to admit of the passing of the Loan Bill through all its stages in one day, was, at the honourable gentleman's request, postponed until after the disposal of other business. On his further motion, that the preceding Orders of the Day, for the consideration in Committee of the Whole of the Lunacy Bill, and the Life Insurance Bill, be postponed until after the second reading of the Loan Bill,

Mr. MEIN remarked that he had not very strong objections to the proposition; but he thought he might have been consulted about it, considering that he was the member in charge of one of the Bills. It was not customary, it was very unusual, for the representative of the Government, in his official position, to take the conduct of business out of the hands of a private member. Elsewhere, private members took business out of the hands of the Government. He was vain enough to think he was competent to take charge of his own business. If the Postmaster-General had consulted him, as he was not particularly anxious to proceed with his Bill at once, he should have moved, as he was competent to move, the postponement of the Order of the Day referring to the Life Insurance Bill. It would have been courteous of the honourable gentleman to have asked him, before making his motion. He (Mr. Mein) was not desirous of throwing any obstruction in the way of the Government Loan Bill.

The POSTMASTER-GENERAL: The honourable gentleman was quite under a mistake. He went to the opposite side of the House expressly to ask the honourable

Mr. Mein if he would consent to the Order of the Day regarding his Bill to be postponed until after that referring to the Loan Bill was disposed of. The honourable gentleman must certainly have misunderstood him; for he (the Postmaster-General) asked if the honourable gentleman would consent to postpone the consideration of his Bill.

Mr. MEIN : The Postmaster-General asked him, if he was particularly anxious to go on with his Bill; but he never dreamt that the honourable gentleman was going to get up to move that the Order of the Day be postponed. If the honourable gentleman had asked him, he should have obliged him by moving the postponement of his Bill himself.

The POSTMASTER-GENERAL : If there was a mistake, his intention was clear.

After further discussion, the PRESIDENT interposed.

On question put and passed, the intervening business on the paper was postponed.

The POSTMASTER-GENERAL offered to withdraw his motion for the suspension of the Standing Orders.

On the suggestion of the PRESIDENT, the motion was allowed to lapse.

#### LOAN BILL.

The POSTMASTER-GENERAL : Honourable Gentlemen—Before moving the second reading of this important measure, I take the opportunity of explaining, as I was not in a position to do before, that I merely purposed to ask the House to suspend the Standing Orders to-day, because on looking at the former practice of this House, I found that every Appropriation Bill I could discover to have been dealt with by this House was passed through all its stages in one day, by means of suspending the Standing Orders. Although I am prepared to acknowledge that the Bill now before the House is perhaps a more important one than any of a similar character that has preceded it, I did not see that there was sufficient cause for me to depart from the usual practice without first ascertaining the opinion of the House on the subject. Having discovered that, from at least a section of the House, there would be opposition to the suspension of the Standing Orders, I have not the slightest intention of pressing it upon the House. In a matter of this kind, unless there is real urgency, I should be the last to ask the House to deal with a measure if they do not feel in the frame of mind to enter on the discussion and the consideration of it with care and impartiality. I have therefore allowed the motion for the suspension of the Standing Orders to lapse for to-day; but I hope that there will be no obstacle thrown in the way if, on the next sitting day, or on the following sitting day

after that, I again think it necessary to ask the House to suspend the Standing Orders. I hope there will be no opposition to it; because it is really necessary that this Bill shall pass through the House without delay. The preparation of the debentures and the transmission of them to England will occupy a considerable time; and, it is very desirable that, when a large amount has to be raised, our financial agents in England should be in a position to take advantage of any temporary state of the money-market which will admit of the Loan being negotiated with the greatest benefit to the colony. I do not suppose that a few days will be of very great importance, either one way or the other; but we do not know. It is quite as well, unless there be reasonable cause shown for delay, to have the debentures despatched to England and in the hands of the financial agents of the colony as soon as practicable. It will be observed that this Bill provides for the borrowing of a very large sum of money, a sum very considerably in excess of any Loan Bill that has ever before been submitted in this House. There is no doubt that, considering the population and present resources of the colony, it is indebted to a very considerable extent, and that further obligations should not be incurred without very careful consideration. The Government, in submitting their Loan Estimates this year had to consider, first, what amount was necessary to complete the public works previously authorised by Parliament; and what amount would be necessary to provide for all the public works of a reproductive and permanent nature required during the next three years. It will be observed that the first item of any magnitude is £100,000 put down for immigration. Supposing the Loan to extend over the period the Government anticipate, this means an expenditure on immigration of about £33,000 a year—a very considerable decrease on the annual expenditure for the last five or six years. It is not the only sum, however, that will be available to the Government. There is in hand, available at the present time for the introduction of immigrants, out of the previous Loan Votes, between £80,000 and £90,000; so that, with this £100,000 in the Bill, if passed, there will be money enough, at any rate, for an expenditure of £60,000 per annum; and, seeing the state of the colony now, with apparently an ample supply of labour, the Government think that something like £50,000 or £60,000 a-year for the introduction of immigrants will meet all probable requirements. In connection with this subject, I may say that immigration has been altogether suspended for the present, and that the Government have no intention of resuming it until after the close of the next hot season; because in the Central and North-

ern parts of the colony, at any rate, it has been found a very great mistake to introduce immigrants in the hot weather; there being a very strong temptation for those who arrive during the excessive heat to go south on the first opportunity. Therefore, our immigration will be, hereafter, pretty much confined to the seven or eight cooler months of the year; and £50,000 or £60,000 spent in bringing immigrants out during that time will be, no doubt, ample. In fact, I cannot give the House the assurance that the Government will really spend the whole of the money, unless there appears to be a greater demand for labour in the colony at a future time than there is now. I thoroughly believe that there will be a greater demand. The present depression and the apparent surplus of labour will not continue; but we shall soon see the colony making progress again, which will cause a new demand for labour to spring up and give ample employment to the immigrants whom it is intended to bring out. The principal items of this Loan Bill, as will be seen, are in connection with railways, something like two-thirds of the whole votes being devoted to railway construction, including the further extension of three main trunk lines, 130 miles each, £1,700,000; the completion of works already authorised—including the Wide Bay and Burnett railways, from Maryborough to Gympie, and from Burnett to Mount Perry—£418,000; and for branch lines, £416,000. Having regard to the indebtedness of the colony, I confess that I should hesitate to propose that so large a sum as £2,000,000 should be expended in the further construction of railways at the present time, if the average cost of the lines were anything approaching to that which formerly obtained. Up to about twelve or eighteen months ago the average cost of the whole railways in the colony amounted to between £9,000 and £10,000 per mile; and I am quite prepared to acknowledge that if we were asked to vote two millions of money to carry on railway construction at such a cost I should certainly not find reasons in support of it. I believe that the colony could not afford to carry on railways at the cost which was formerly incurred; but circumstances are very much changed in this respect. By superior organisation, the cost of constructing the main lines has been very much reduced of late. The Westwood and Comet line, for instance, which cost an average of nearly £6,000 per mile, is now being carried on—or, rather, a section of it is under contract—for something like £2,500 per mile;—the whole works, including permanent-way and steel rails, will be completed for an amount not exceeding that. On the Southern and Western Railway, between Dalby and Roma, the cost of 165 miles will be above that—something about £4,000

or £5,000 a mile. But the Government have an offer from a substantial contractor to undertake the entire extension of 130 miles beyond Roma at an average of £3,000 per mile. For the Central line the Government have a similar offer to carry the railway beyond Retreat, 130 miles, across a range—

Mr. MEIN: A desert.

The POSTMASTER-GENERAL: Where, for some miles the expense will be £10,000 per mile;—but the average for the whole extension of 130 miles is the same, £3,000 per mile. On the Northern line a tender has just been accepted for a section, and the contract will be carried out at a cost considerably within £3,000 per mile. These are not estimates; these are actual offers, and actual work under contract for the carrying out of which, according to the terms of contract, the Government hold ample security. There are three sections of railway now under construction in Queensland which will be completed at less than £3,000 a mile.

Mr. WALSH: Does that include all costs?

The POSTMASTER-GENERAL: Including every cost but rolling-stock. My information is from the Minister for Works. I made it my business to call on him to-day, and the honourable gentleman gave me these particulars. It will be easily seen, therefore, that circumstances have so altered that, even though the colony does owe ten millions of money, yet we are quite warranted in carrying on railways, now; whereas, two years ago such a proposal as is now before the House would have been totally unjustifiable. It was not until the Government had satisfied themselves that railways could be carried out for £3,000 per mile that they devoted such a large amount to railway extension as is shown by the Loan Bill. The interest, at the rate of 5 per cent.—which is really more than we are paying now for our borrowed money—on a line of railway so constructed will be only £150 per mile per annum. Then we get a large area of land opened up and made available for settlement, for alienation and sale by auction, which otherwise would not be accessible—which would be completely worthless for anything but pastoral occupation. Even the pastoral occupant would find that without roads to the sea-coast his enterprise would not be remunerative. In the great interior of this colony, to which we must look for our principal yield of pastoral produce, I think I may say, on authority that cannot be disputed, that even pastoral pursuits would not pay unless railways or some greatly improved mode of internal communication were provided. On the other hand, if we can run our railways out there; if we can make those fine interior lands accessible by steam com-

munication from the coast, they will not only yield profitable returns to the pastoral occupants, but they will also yield a largely increased return to the Treasury. The pastoral rents will be increased; the number of stock and the number of persons required to look after them will be increased; the consumption of dutiable goods will be increased; and opportunities will be given for the formation and establishment of townships in different parts of the colony, which will gradually grow up to be flourishing centres of population. Without railways all this will not take place; there can be no progress; there will be complete, absolute stagnation;—in fact, I think, worse than that. I think that many of the men who have gone out into the far interior to reclaim the wilderness and to make it productive of wealth to the colony will not be able to hold their own. I see that my honourable friend opposite (Mr. Mein) smiles. He, no doubt, thinks if the railways are being run out to those western lands—How are we going to get increased rents for them? I say there is a very large amount of country there which does not pay any rent now, which will pay rent if we run the railways out to it.

Mr. SANDEMAN: Hear, hear.

The POSTMASTER-GENERAL: And I say that if you give those men something like improved tenure, so that they can feel justified in extending their enterprise, they will be able to afford to pay an increased rent.

HON. MEMBERS: Hear, hear.

The POSTMASTER-GENERAL: I am sure that, in spite of all that has been stated to the contrary, there is not one of them who, if called upon to contribute to the necessities of the State in a legitimate way, would refuse to do so. Now, if we can make these three trunk lines to the point indicated, that is 130 miles beyond Roma, beyond Retreat, and beyond Charters Towers, respectively, we shall open up this vast interior to settlement; and, if we can do so without increasing the burdens of the taxpayers, I think it must be obvious that a very great benefit will be conferred on the colony and upon all the inhabitants of it. Now, I maintain that we can do it. I maintain that these trunk lines, by being pushed out westward, will give a handsome return for the money expended upon them. They are already paying from 3 to 3½ per cent., after the defrayal of all the costs of maintenance and working expenses, available towards the payment of the interest upon the cost, which is for the most part 5 per cent.

Mr. WALSH: No.

The POSTMASTER-GENERAL: Independent of this, we have a large land revenue which we should not derive if our railways were not constructed. And I say that, between the increase of traffic receipts and the increase of

value which our western lands will attain through the construction of these extensions, there is not the slightest doubt that our railways will be amply remunerative. However, that is a question on which every member of the House, I dare say, will form an opinion of his own. I do not suppose every member will agree with my opinion in that respect. It would not do if there were no differences of opinion. But I have given the subject a great deal of thought for a long time past; I have collected all the evidence that could be obtained; and, after that, I have arrived at the opinion that the £1,170,000 which we are going to expend on the construction of trunk lines will involve no increased burdens on the taxpayers. The amount proposed to be expended upon branch lines—£416,000—I also believe will be either directly or indirectly remunerative. It will be observed that, with one exception, which involves £50,000 only, every one of the branch lines which it is proposed to construct will be a feeder to and increase the traffic upon the main lines. They will involve scarcely any increase of expense in rolling-stock or in station management, while they cannot help largely increasing the revenue from the railways. The longer you make a railway, the less the proportionate expense in working and the larger the trade you bring on to it; and those branch lines which connect with the trunk railways will have much the same effect as extending the length of those main lines. I need not go over them, as they stand. If honourable members have seen the Loan Estimates laid before the other House, it will be observed that the estimated cost of every one of these branch lines appears in the Estimates. In fact, the main lines are to be made for £3,000 per mile, and the branch lines for amounts varying from £2,500 to £4,000 per mile. The most expensive works are those to complete the lines already in course of construction; but in all the further extensions that the Government propose, the amounts set down respectively do not in any case, except one—the Sandgate line—amount to more than £3,000 per mile. The Brisbane to Sandgate line is put down at £4,000 per mile. Those railways must be considered permanent, reproductive, undertakings, and as such the money invested in them will not be wasted. As an investment, it will not only give us a direct return, but it will give us a revenue which will go towards paying the interest on the money expended in the construction of the works, and will secure for us the increment of value which the Crown lands of the colony will acquire from the existence of railways. The amount put down for harbours and rivers is £249,000. These are as necessary works as railways. If we want to bring traffic to our railways, we must also make our ports

and harbours accessible to large vessels; and the principal portion of the amount set down is to be applied to improvements in the Brisbane and Fitzroy rivers. The sum of £30,000, the next largest item, is for the improvement of the Pioneer River, at Mackay. Although this expenditure will not be so directly reproductive as that upon railways, yet there can be no doubt at all as to the great importance of carrying out harbour improvements. Previous Governments on both sides have recommended that such works should be undertaken as are now being carried forward to completion. For electric telegraph construction the sum of £70,000 has been set down. At present such expenditure is not fully reproductive. There is no doubt that our telegraph lines do not directly pay interest on the cost of construction, but they are of immense advantage to the people of the colony, and of very great assistance for its government. I believe that had we not carried out our extensive system of telegraphs, Queensland would before to-day have been divided. The extension of the telegraph, and the making of an uniform charge of one shilling for messages from one end of the colony to the other, have so facilitated the operations of Government that the colony has been thereby preserved from disintegration. In my mind, the amount proposed to be expended on telegraphs will be a judicious outlay, although not directly reproductive, and it will materially assist in the progress of the colony. £80,000 is set down for public buildings. I consider that a reproductive item. If we do not spend that money we shall have to pay rents, which, I need not say, would be a very much larger item than the interest will be on the £80,000 we propose to expend on public buildings. Roads and bridges, including items for dams, and for the completion of the Fitzroy bridge, and other works of that sort—all very necessary—which do not call for further remark, are set down for £62,650. £100,000, appropriated for road boards and shire councils, is an expenditure which, I think, this House must cordially approve. The great evil from which this colony has suffered hitherto has been the very large amount wasted in carrying on the operations of the Public Works Department in distant localities, under the influence brought to bear by members of the Representative House to support demands upon the Treasury. Of this amount the Government do not intend to spend one shilling themselves. They will leave it to be spent by legally constituted local authorities that will no doubt spend it in the most economical and desirable way. It is absolutely necessary that to support the system of local government such as the Ministry intend to carry out, and to establish by the Divisional Boards

Bill, which will be before this House in a few days, this £100,000 must necessarily be provided. It is intended to give the local bodies a start, as they cannot possibly make assessments and impose taxation in their districts, according to the provisions of the proposed statute, within twelve months. In the meantime, unless the Government are prepared to take charge of the roads and bridges as heretofore, those works would, if provision be not made, fall into disorder, and a large amount of money would be required to be expended on them afterwards to put them in proper repair. The amount set down for water supply is £18,250, and is to complete water-works which have all been undertaken by our predecessors. On all these items set down interest at the rate of 5 per cent. will be collected. The Government will insist, in every instance, that the towns which receive money for local water-works shall pay the interest. £200,000 is provided for loans to local bodies, and will be dealt with similarly. None of this money will be lent to local bodies without ample security, as provided by the Act; nor will the interest fall on the Treasury, but must be paid by them at the rate of 5 per cent. For the defences of the colony, £10,000 is set down, which I do not think needs any remark. £129,000 to make good the deficiency on debentures disposed of under the Loan Act of 1878 is a necessity. It is to make good the difference between the amount voted—£1,184,800—and the amount received from the sale of debentures. I have now gone over all the items of the Bill, and I think the House will perceive that, in almost every instance, the works are such they will concur in the desirability of. It may be that some members of the House think that less money should be spent on branch railways, and that others think that less money should be spent on trunk railways; but I feel assured that the amounts as set down, and the proposals of the Government, meet with warm approval from the large majority of the inhabitants of this colony. We have entered upon a public works policy, and we must continue it for the present. I think I may here state that the Government do not intend to continually increase the loan expenditure in the way in which it has been going on for the last year or two. The Government think that during the next three or four years the tendency should be in the other direction. We cannot go on spending a million of money per annum to all eternity; but we must limit our expenditure. The Government are fully alive to that necessity, and I am quite certain that Parliament will have no reason to complain that the necessities of the time have not been taken into consideration in that particular. There was never so

favourable an opportunity for carrying out public works as the present. We can borrow money reasonably; we have an abundant supply of labour; the colony is in a state of depression, although I think only a temporary state of depression, through the low prices procurable for our leading products. We have the knowledge that in the carrying out of our railway works we have gained experience; we have a professional and official staff thoroughly organised on all our main lines, where there are bodies of men capable of carrying out railway works in the most effective way who are under thorough superintendence; we also find that railway iron and steel can be obtained now at prices which were never heard of before;—so that, taking into consideration with the foregoing facts our necessities in the way of internal communication and the moderate rate at which we can borrow money in England, there never was a time since this colony was established at which reproductive works could be carried out with more advantage than they can be now. I think, therefore, I have given ample reasons why the Government are justified in asking Parliament for so large a provision for public works as is involved in the Bill before the House. I will not further occupy the time of honourable gentlemen, except to remark that, in form, this Loan Bill is the same as its predecessors. I believe there is no difference in it except as to the items and the amount. I do not expect that the Council will be perfectly unanimous in approving of it. I expect some discussion upon the proposals contained in it, but I thoroughly believe that, as a whole, it will be acceptable to the House, and that it will pass by a large majority. I beg to move—

That the Bill be now read a second time.

MR. WALSH said, when he looked round him and saw how well the Chamber was supplied with gentlemen who were well up in financial matters, who were able not only to advise the Council but the country also on questions of expenditure, the advisability or not of expending such an enormous sum of money as the Government asked for in the Loan Bill—when he saw gentlemen intimately connected and famous, in fact, for their connection with certain institutions of the country—he was certainly surprised that not one of them had risen to address the Council in reply to the Postmaster-General. He confessed that he felt somewhat at a loss to address the House himself, at this early stage of the debate; but, at any rate, he felt that he had a duty to perform, not so much to follow the honourable gentleman in the remarks made by him, as to express his feelings as well as his fears respecting the course which the Government were pur-

suing in connection with those gigantic works which were set out in the Bill. He felt inclined to take exception, first, to the last remarks almost of the honourable gentleman. He was so struck with them that he could not help going to the table and writing them down. The Postmaster-General said that he was satisfied, if the people had an opportunity of expressing their approval of the course the Government were now rushing upon in the expenditure proposed, the large majority would approve of it. If the people had an opportunity of expressing an opinion of the present Government and their intentions such as they had had about the preceding Government, they would act in such a way as would visit upon the Ministry of to-day a similar result to that which followed the gigantic railway-making of their predecessors. He always looked upon it, that the cause of the community turning against the late Government was that fatal blunder of their bunch of railways. He was bound to make those remarks on behalf of the people of the colony. If they had an opportunity, now, to pronounce their opinion on the proposed loan for works' expenditure, they would be as emphatic as in the recent instance that he cited. Still following the Postmaster-General's words, that loans must cease, that the colony could not go on borrowing and spending a million a year—who doubted that? Who disputed the statement of the Postmaster-General? Did he not think there was a time when the Government should cease borrowing previous to the expenditure, or even previous to the obtaining, of the money now proposed to be borrowed? Did he not know that—if he thought they could not go on spending a million a-year—they should not go on borrowing? Did he not know that there was a large number of people who thought that the Government ought not to borrow, now? After getting authority for the neat sum of over three millions of money, they gave a warning to their successors that the colony could not go on borrowing a million a-year. Did the honourable gentleman tell the House, or show by his figures, anything to justify the country or the Council in believing that the country ought to borrow the three millions, now? No; nothing was said by him to justify it. Well, he (Mr. Walsh) had thought a great deal over the railway expenditure, and the vast expenditure generally, now proposed; and he had come to the conclusion that the colony was not in a fit condition to undertake it. There was nothing whatever in the position of Queensland at this moment that could justify the Council in sanctioning such an outlay. The colony could not, he maintained, incur the expenditure with safety; it could not repeat the extravagance of the past. The purposes to which the loan was to



be devoted were not such as would give the country confidence that the Legislature was justified in proceeding further with new railways especially. Even when Ministers said they asked for sums of money to complete railways that were commenced by their predecessors, and to fulfil obligations already entered into, he remembered that they themselves had given assurance that those works would not return sufficient to pay for the grease on the wheels. Certain railways—he need not give their names—were described by members of the Government in the other Chamber as lines that would not pay for the greasing of the wheels of the trains running on them. Yet, he found further sums of money voted by the other Chamber, having been put on the Estimates by the Government, for continuing those great blunders, and for increasing the taxes on the people by perpetuating blunders. Next he should call the attention of the House to the state of the finances of the colony at this moment; and for the information of the country, and for the benefit of honourable members, he should quote a few figures. According to the Auditor-General's last report, the indebtedness of Queensland was £10,192,150, and the interest payable on that amount was £476,851 per annum. All that was for works none of which he knew to be reproductive—he could not point to one work in the colony of all that had been carried out by the expenditure of that enormous sum of money which was really of a reproductive character; yet the taxpayers were at this moment burdened to the extent of nearly half a million a year for interest alone on the public debt. The vast sums that had been spent on the rivers and harbours, the colony could have done without; they might as well, for the most part, have been cast into the sea. The vast sums that had been spent on the railways had not made reproductive works. That could be shown by figures from official returns, if he cared to quote them. True, roads had to be made, and rivers had to be bridged. But the colony would have gone on without any of those elaborate and costly works for which such a burden of debt had been incurred. Probably Queensland had never been in a more prosperous state than when she had none of them at all. They had led to extravagance in other ways, and to a general lavish public expenditure without any commensurate return. For instance, the very building in which the Parliament was assembled had been erected at an enormous cost of money. Was it of a reproductive character? Could not the colony have done without it?

HONOURABLE MEMBERS: Hear, hear.

Mr. WALSH: Yet, at a time when greater depression reigned than ever before, when there were more empty houses in the

cities and towns of the colony than were ever known, the Government were carrying out unnecessary non-productive works, and proposed to borrow over three millions of money to perpetrate other such mistakes. They asked for £1,170,000 to carry on railways—for extensions alone. It was asked for because the Government thought, and thought rightly, that they would be able to make those railways at a very much less cost than railways previously made in the colony had cost. That the railways would pay, when completed, he could not by any reckoning conclude. The Postmaster-General might say that they would be reproductive, because the Crown lands would be opened up, and sold, and utilised; and because towns and cities would be established where now there were none. But the Government would never see such an area of land taken up as had been taken up, and occupied, before there was a railway at all in the colony; and they would never see the colony advancing so prosperously as when the northern country was being occupied in the early years of the colony. At the time of Separation there were not ten persons across the Fitzroy River; yet, within a few years afterwards, the whole of that fine country, for hundreds and hundreds of miles, was occupied by the pioneers. He mentioned the fact to show that it was not necessary that railways should be made to place the people on the land and to bring it into profitable occupation.

THE POSTMASTER-GENERAL: That was on the coast.

Mr. WALSH: He was talking about the proposed railway extensions, to which he thought the honourable gentleman applied his remarks when advocating communication by their means with the interior, as leading to their occupation by a vast population of the Crown lands, the establishment of large centres of settlement out in the far West, and the increase of the value of those lands. He doubted very much whether the railways would succeed in advancing those objects to anything like the extent that the Postmaster-General supposed. In other places sufficiently known they had not succeeded. He was sure that in his time they would not attract a large population to settle upon the lands to the west or the north-west. There was one thing that no railway would alter, and that was climate;—nothing could alter that, except, perhaps, irrigation. Until the greater portion of the rich country in those directions was benefited by irrigation, not all the railways that could be pushed out would carry population there or lead to its settlement largely.

Mr. SANDEMAN: Hear, hear.

Mr. WALSH: A few large squatters might be induced to enlarge their enterprises: a few lucky squatters might dis-

pose of their runs and go further out, because there was easier access than before to the civilised world by means of the more frequent communication which the railways would give. Or, some unlucky squatters might go out, as the only thing they could do better than nothing. The railway might enable some pastoral tenants to sell their properties; but that was about the utmost good that would be derived from taking railways out into the far interior. It was no new idea of his that he now expressed. He could call some honourable members' remembrance to the fact that he always said, in the other Chamber, in the early days of railways in Queensland, that the extension of lines to the interior would not settle population. Had the railway added to the population between Darling Downs and Roma? Had it done one iota of good to settlement around Dalby? Dalby was now a decayed town, and the settlers in the neighbourhood were a decayed class. Were they not impoverished since they got the railway, more than before? That would always be the case, when railways were run to places where there was not adequate population and produce to support payable traffic. He was totally opposed, so far as his own feelings went, to the Western Railway going one inch further than at present. If he had his will, he would stop it within a very few yards of where the most distant workman was now employed. He was perfectly sure that the first loss would be the best and the least of what the extension would cost the colony; though honourable gentlemen heard the contrary. The Postmaster-General had not shown that more wool would be brought down, or that more passengers would travel, or that any new product would be sent to market, by the extended line. He simply rested upon the general supposition, or assertion, or chimæra, that people would go out and settle, and that the country would be improved. But the House had no proof of that. He (Mr. Walsh) must confess that, notwithstanding the offers that the House were told had been made to the Government to make all the railways for £3,000 per mile, he did not believe it. He knew very well, as well as the Postmaster-General himself, that the cost of making the railways now was very much less than it was a few years ago. He knew that steel rails could be got now for about one-quarter of what iron rails cost before. But, labour was not a bit cheaper at present than in the past. Except as far as the features of the country permitted, the railways now projected would not be made by the contractors cheaper than the old lines. Of course, when the lines were carried out beyond the country that presented engineering difficulties—they had crossed the ranges and spanned all the important water-courses

—and into the flat country, the construction would be of a necessity cheapened; and it was thereby the Government were enabled to say the cost of extensions would be much less than was paid for construction heretofore. To illustrate his argument, he would mention an anecdote he heard only this afternoon; and it would be an apposite answer to the remarks of the Postmaster-General, that contractors were willing to undertake the construction of the lines at a low price. Contractors were always willing to do so, until they got the opportunity of entering into a contract:—A member of Parliament was very anxious to have mail communication established between two places; and it was prayed for by other persons interested. Amongst them was one who said the service could be performed effectively for a certain sum; indeed, he would do it himself for £700 a-year;—all that the Postmaster-General had to do, was to call for tenders, and the thing would be done. The Government were induced to consent; and what was the result? The lowest tender sent in was for £2,500. That showed the uselessness of saying that contractors would do this or that. He must say that he thought the Postmaster-General had made a blunder in replying to his question, that a certain railway was to cost £3,000 a mile, and nothing extra. The Government had, at least, to find the rails.

**THE POSTMASTER-GENERAL:** If the honourable gentleman would allow him, that included the cost of steel rails and the permanent way—everything except rolling-stock.

**MR. WALSH:** Then, he understood, the contractor found the steel rails?

**THE POSTMASTER-GENERAL:** He gave the contractor's price, with the cost of the steel rails added.

**MR. WALSH:** The honourable member might have intended that; but he did not say so at first. The contractor must have offered to do the work for something less than £2,000 a mile. The House now knew what the honourable member meant.

**THE POSTMASTER-GENERAL:** The contractor actually signed it. The Government held it beyond dispute.

**MR. WALSH** said he was very glad that the Government had that; but he very much doubted if the contractor would do it. He doubted if there was any railway now being made within the price contracted for. He would not mind staking his existence, that no contract the Government had made was being carried out within the contract price. He knew very well how things were done. Tenders were put in for a low price, and were accepted; and the contract was made. The Government always had to make alterations. Then the contractor's profits began; and once begun, it was never known when they stopped.

The real cost of a railway was never to be ascertained; and the Postmaster-General might rest assured that such would be the fate of his low-price railways. He (Mr. Walsh) returned to his figures. The House had been told over and over again that the railways already constructed paid a very fair percentage on the outlay—something like  $1\frac{1}{3}$  per cent.;—though he did not know if the honourable gentleman himself made the statement.

The POSTMASTER-GENERAL: They paid 3 to  $3\frac{1}{4}$  per cent.

Mr. WALSH: He had a very forcible statement to make to honourable members showing that

The total Loan Debt for railways is £5,484,818. This is, of course, exclusive of the £2,024,100 proposed to be borrowed in the Loan Bill of 1879. The annual interest of the above £5,484,818 is as follows, viz. :—

£2,319,518, at 6 per cent.	... £139,171
£3,165,300, at 4 per cent.	... £126,612
	£265,783

The railway revenue for the last financial year amounted to £240,077 19s.; cost of maintenance, &c., £151,429 17s. 11d.; giving a gross profit on working of £88,648 1s. 1d.; and leaving a nett loss of £177,134 18s. 11d., or £378 9s. 10d. per mile, on 468 miles of railway now constructed and open for traffic.

That was the state the railways of the colony were in at the present moment. Instead of their paying, or being likely to pay, they were costing at present something over £378 per mile per annum. Those figures, he assured the Postmaster-General, were from an office that, at any rate, did not fail in accuracy; and they were in accordance with what he had himself taken out of the Auditor-General's report. When he was Minister for Works he made a calculation which showed that the colony was losing nearly £500 per mile per annum on the railways; and now, according to the best calculation he could obtain, the colony was losing £378 a-year on every mile of railway in operation. Yet, it was stated by the Postmaster-General that the railways were paying so well that the colony was justified not only in extending them, but in beginning new lines. Honourable gentlemen should bear in mind that the revenue was really decreasing; and, according to his lights, it would go on decreasing as the railways were extended in length. It was notorious in railway statistics that long lines never paid, unless there were vast populations at either end, or vast mineral resources to employ people, and to yield both freight and passenger traffic. The shorter a railway was between two centres of population, or to carry minerals, the better it would pay. Those facts that he stated were notorious all over the world; and it was not in Queensland that their

contradiction was established. To tell him that pastoral products would make a railway pay was about the same as to say that cabbage-gardens would make it pay. No doubt, cabbage-growers would go further in making a line profitable than wool-growers. Wool would never make the railways profitable. What revenue did honourable gentlemen think was derived from wool carried on the railways? Did they think £50,000 a-year? The Government got nothing like that from wool. He doubted if £30,000 was received. When he was in office, he did not think the revenue was £10,000, in 1872-3. Now, he was pretty sure it did not exceed £30,000; but he would allow a wide margin for the chief product of the colony; and he asked, would £50,000 a-year freights for wool make the railways pay? What proportion of passenger traffic could be expected on those lines by which nothing but wool was sent down? Those considerations were important, when it was proposed to take the railways out into districts where there was nothing else but wool produced and live-stock to be found. It was about time that the people of the colony opened their eyes to the delusive figures that were put before them about the existing railways paying well. It was serious enough to be told that the further railways were carried out the better they would pay. That was the absurdity he had to deal with. And the time had come when the fact must be faced, that the traffic on the different railways as now extended did not pay at all. A great deal had been made by the Postmaster-General of the fact that the extensions and other lines proposed would cost only £3,000 a-mile; and that, of course, they would pay better than the lines which had cost £16,000 a-mile. He (Mr. Walsh) said they would not. The only line that was paying now was the railway between Toowoomba and Brisbane; and it was the passenger traffic that made it pay. It was not the wool, it was not the agricultural produce, that made that railway pay; but merely the passenger traffic that made its working profitable. Yet that was the position of the railways of the colony which cost ever so much more than any equal length. He ventured to say that even if a railway was carried out at £1,000 a-mile—to the setting sun—it would always be found, as long as honourable members lived, that the traffic between Brisbane and Toowoomba would pay better than any that would exist between Brisbane and “the far west.” He was induced to lay stress on the figures he adduced, particularly, because the Postmaster-General was so anxious to make the House understand that the new lines would not increase the burdens of the taxpayers. The people had burdens enough to bear already, in paying the annual loss

on the railways. Knowing that, it was his object to prevent their burdens being increased, at any rate. Did the figures he had obtained from the Audit Office show that the existing railways paid 3 to 3½ per cent. interest? If they did not pay now, the loss by them would be quadrupled when the extensions were carried out. When there were a million of inhabitants in Queensland, the railways would not pay; yet population must be had to give profitable traffic for the railways. The country was new; it contained nothing but sheep and cattle; people lived fifty miles apart; there were not 150 inhabitants in the largest townships; there was nothing there to show that at any time cultivation could be carried on;—yet thither the Government proposed to extend the railways. Nobody had experience that the fine western country would be fit for agriculture; whereas every traveller who was met from those parts, who came from beyond Dalby, for instance, or from the Diamantina, spoke not of its agricultural capabilities, but of its great grazing qualities—vast rolling prairies and boundless plains, looked at only with the eye of the squatter. Stock fattened out there; but would a practical agriculturist give an opinion favourable to it for cultivation of crops; or would he say that it was a country to go to for the purpose of settling down on the land? Would any practical man say it was the country on which to establish a prime agricultural population? When such evidence as that was forthcoming, there would be some justification for extending a railway out there. There was no justification for constructing a railway to penetrate a mere pastoral country, to rely for profit upon pastoral traffic alone. It was not, he (Mr. Walsh) thought, worth his while to go into the subject of harbours and rivers. He believed firmly that half the money proposed to be expended might as well be thrown into the sea, that there would be no return from it. What had been done in the past justified him in what he said. He had not his figures by him; but if he could quote them they would astonish honourable members, and make them hesitate before they would plunge into the expenditure of £249,000. But he would, before going further, speak of some of the other railways:—£79,400 more was to be spent on the line from Warwick to Stanthorpe. He never yet heard a man in his senses say that line would pay, or that the Legislature was justified in authorising it. £105,500 was set down for the line from Maryborough to Gympie. Who, since the vote approving of that line was passed, ever heard anyone say that the line would pay, or that it was justified? It was one of those swindles, as they had been described, that had been palmed off on the country;—one

of those great blunders the late Premier and Minister for Works had perpetrated so recklessly. Would it not have looked much more like statesmanship, if, knowing, as every one did, that such railways as the Stanthorpe and Gympie lines, more especially the latter, would never pay;—would it not have looked more prudent, if the present Ministry had said, “We condemned these railways when out of office—don't expect us to ask you to spend any more money on such blunders”? That would have been something like consistency, as well as prudence; that would have appeared, at any rate, like statesmanship. Brisbane to Sandgate! Was there anything to justify an expenditure of £52,000 for such a railway? Did anybody believe that it would be done for the money? The purchase of land would cost a large amount. Parliament had been told that some of the landholders along the line would give the land required for nothing. Well, he had something to do with getting land in that neighbourhood, and he never found anyone willing to give it to him for nothing. Ipswich to Fassifern, thirty miles, at £2,500 a mile, £75,000. It would cost £5,000 a mile, at the least. He was informed that there were real difficulties in the way of the construction of that line which had not been sufficiently shown. To Mount Esk, forty-two miles, at £2,500 per mile, £105,000. What on earth was that line for? What, in the name of all that was just and sensible, was it to do? What traffic would it bring from Mount Esk down the Southern and Western Railway? There was certainly a moderate population settled there. But would they make up a traffic that would pay? Anything short of 50,000 or 60,000 persons would not make such a traffic. There was no probability that that line would pay. Warwick to Killarney, £50,000 for twenty miles. The Government would not get the land for it—unless they made the line along the roads that had been reserved. Again, Central Railway, branch to Clermont! The House had no information about that. What did it mean? Was it intended to be carried out? The Postmaster-General smiled. Did the Government intend to lay before Parliament plans and specifications of that imaginary line?

The POSTMASTER-GENERAL: By-and-by.

Mr. WALSH: Could the honourable gentleman now give the House any information?

The POSTMASTER-GENERAL: It was under survey, at present.

Mr. WALSH: There was another ambiguous vote that, he was sure, if the present Ministry were not in office, they would not like to see in the Loan Bill or in any estimate of expenditure:—Water storage, main roads, £30,000. Such watchmen as they were, they would like to know, at least,

what roads; and they would ask for an explanation. He might, in committee, have a word or two to say on that; but he did not like to take up the time of the House, now. He believed that the vast loss which this colony was suffering from, now, the great despondency into which it was sunk, was all owing to that pernicious legislation—based upon a pernicious feeling engendered amongst fellow-colonists for many years;—that gross extravagance which Governments had carried on and which had been forced on them;—was all due to the successful efforts that had been made in and out of Parliament to set class against class.

HONOURABLE MEMBERS: Hear, hear.

Mr. WALSH: Nearly all the prevailing depression was due to the fact that capital had been driven out of and prevented from coming into the colony. For years and years, any aspirant for Parliamentary honours, any member sitting in the other Chamber, dared to say nothing on behalf of the rich man, who wished to bring capital, and energy, and enterprise into Queensland. If such a man was in the colony, and he happened to come down to Brisbane and went into a public department, wanting to have something done connected with a vast pastoral property or a large mineral speculation, he was snubbed—snubbed at the Lands Office, and at the Works Office;—and it was made a common boast that rich men were driven away by the Legislative action, and more by the administrative action, taken against them. He (Mr. Walsh) could mention men by name who had been so treated—better colonists than anyone in the Council. Owing to the way in which they had been treated as speculators and investors, and as capitalists, they withdrew, and took their capital, their stock, their cattle, and their people, with them from Queensland. He looked north, he looked west, and could see stations that had been amply stocked, now unoccupied or nearly so. He knew that the stock from those stations had been absolutely taken out of the colony, because the owners said they never could get justice done them in the public offices or by the Government. If they talked to anybody in Brisbane, it was to find him inimical, or, at any rate, not disposed to deal justly by them. The result, he had stated. Yet this colony wanted people, and it wanted capital. The moral to be drawn from what he described was, that having prevented the investment of capital, having driven men of wealth out of the colony, having prevented artisans, tradesmen, shepherds, stock-keepers, and immigrants of all sorts from getting employment which capitalists would have provided in town and country, having done all that, by the insane processes adopted in the past; the only panacea that could be

offered was the introduction of a vast set of creditors.

Mr. MERRIN: Hear, hear.

Mr. WALSH: Having done all that he described, the Government had now to go year after year into the money-market at home in order to keep a little trade going—to get a little money to spend “to keep the pot boiling.” The vast expenditure which had been initiated by the late Government, and that was continued by the present Government, was to carry on a little trade to keep the colony from utterly languishing, to prevent it from going to decay. He trusted that the public would awake to the fact before it was too late. If the Government wanted the colony to flourish, they must attract all classes to it, rich and poor; and they must not have recourse, further, to the system that had been pursued for years past, if Queensland was to make progress and be prosperous. He was reminded that there was one little thing which he should like to get information about. He did not exactly understand the conduct of the Government in reference to the railway from Maryborough to Burrum, eighteen miles, at £3,000 per mile, £54,000. While asking Parliament to vote that money, they received a private offer for the making of that railway; and it was said the Premier was going to give the projector of the work every assistance to carry it out. The thing seemed somewhat inconsistent, and it had not been explained. If the Government were going to do that, why was provision included in the Loan Bill? Why not induce Mr. Hurley to come under the provisions of the Railway Act of 1872? The Railway to Burrum would be an advantage to Maryborough—the Government were, no doubt, aware of that fact;—and why did they not give hearty support to the scheme of Mr. Hurley, who desired to undertake the work? It seemed that that railway was likely to share the fate of a man that sat between two stools, and fall to the ground. Either the Government were deceived and they asked Parliament for the money to make the railway, or they were deceiving Mr. Hurley in entertaining his proposal. The Postmaster-General should give some explanation to the House. Referring, in conclusion, to the figures he had submitted for consideration against the expenditure proposed for works that would not be reproductive during the lives of honourable members, because of the sparse population of the colony, he invited them to turn to the vital statistics last presented to Parliament, by which they would see that the interchange between Queensland and the other colonies was against us—the departures exceeded the arrivals. The revenue was falling off, and trade generally, all industry, was depressed. In the face of and notwithstanding those

facts, the Government called upon Parliament to aggravate existing evils by authorising them to borrow the large sum of money proposed in the Bill now before the House. He entered his protest against it, because he thought it most inopportune; and if the expenditure contemplated should be persisted in, it would certainly be most disastrous to the colony.

HONOURABLE MEMBERS: Hear, hear.

Mr. MEIN said he had hoped that some honourable gentleman on the other side in the confidence of the Government would have prolonged the debate in making some observations in reply to the searching comments of his honourable friend, Mr. Walsh; and that hope had been brought about by the feeling he had that the statement of the Postmaster-General contained nothing that would justify the House, without very serious consideration, in voting the sum of money proposed in the Bill before them. He had expected to hear some justification by the honourable gentleman who represented the Government of the proposed expenditure; but after listening very carefully to his speech, he could say he heard nothing which led him to believe that the honourable gentleman was sincere in thinking that there would be any adequate return from the works to be undertaken. In fact, the whole burden of his argument, if argument it could be called, was the statement, unaccompanied by facts to justify it, that the works proposed were works of a reproductive character; and that, therefore, the Government were justified in entering upon them. In the course of his speech the honourable gentleman made some further remarks as to the colony now going through a very serious period of depression, which remarks refuted all his argument. If no other reason existed at this moment, that one would be sufficient to induce him (Mr. Mein) to hesitate before he should give his assent to the proposition now before the House. He thought the State should be conducted very much as a household was conducted: if expenditure was found to be exceeding income, they should go in for retrenchment. But the proposition of the Government, whilst admitting that the colony was in a serious state of depression—that the returns from all resources were diminishing, and, as the honourable Mr. Walsh had pointed out, population was decreasing—was, that they should incur an expenditure which the Postmaster-General himself admitted was in excess of any like expenditure in any previous period of the colony's history. They were going to increase the public debit by one-fourth. No provision appeared to be made by Government—they had made no calculation by which to arrive at a solution of the problem—How was

the interest to be met? The interest to be paid, assuming it at something like 5 per cent., would be £150,000 per annum. That was almost half as much as the colony now paid on the public debt; and an additional burden of about £18 per head on the total population—on every man, woman, and child in Queensland. Yet there was no evidence before the House to show how that interest was to be met. The population would have to be increased at least 11 per cent. to enable it to provide that interest, at the ordinary rate of revenue which was now received by the Government. At the same time, the Postmaster-General stated that all the Government had placed on their Estimates for immigration was £100,000; and that it was not their intention at the present moment to do anything for the introduction of additional population to Queensland; but that at some future date they would resume immigration to a moderate extent. Immigration was to be suspended until the next cold weather, which would be about twelve months hence; in the meantime, no action would be taken. Statistics showed—he presumed his honourable friend, Mr. Walsh, was correct—that the population of the colony, even making allowance for the natural increase of births over deaths, was diminishing, so that in the ordinary course of things there would be a further falling off. Meantime, the loan would be floated, the interest would be accruing, and none of the so-called reproductive works for which the money was to be borrowed would be undertaken. That suggested what was to his mind a fatal objection to the proposition of the Government. That proposition involved the raising of £1,170,000 for the extension of railways; yet the House had not the slightest indication of where the railways were to go to—only that there were to be extensions of three trunk lines, 130 miles;—but whether they were to go north-west or south-west, the Government had not condescended to give the slightest information. There was evidence that the Government were going to float the loan at once; because the reason why the Postmaster-General asked the House to hurry on the Bill was, that the debentures were to be put on the money market as soon as possible—in March next; and interest would begin to run from the time of the sale of the debentures. In the meantime, surveys were not made, and no plans or specifications could possibly be before Parliament. None could be placed before the Council this session for the extension of the railways, or for the construction of any public works proposed. Yet Parliament would be absolutely committed to a large expenditure, and the community would be subject to the payment of interest on a loan of which they knew nothing

beyond the fact that the railways were going, at some future time, towards the setting sun. The only justification the Postmaster-General urged for the extension of the trunk railways was that they would open some magnificent country which would be useful to pastoralists, while they would bring about settlement and the establishment of towns. He (Mr. Mein) did not think the Postmaster-General, with all his extravagant ideas as to the value of that country, would venture to assert that it was anything more valuable than the soil of Darling Downs, which was only about 100 miles from the metropolis. Darling Downs was intersected with railways, yet the villages and townships that had sprung up there since the introduction of railways could be counted off the fingers of one of his hands. Agriculturists had settled here and there, but the population of the district was limited. Seeing the attractions that the other colonies offered to immigration, including that one which Queensland could never offer in their greater geniality of climate; and the facilities for getting on the land, not however superior to what this colony possessed, but better for some kinds of agriculture;—considering the greater number of large towns, and the nearness to markets for agriculturists, no reasonable man would be justified in concluding that the extension of the Queensland railways from comparatively small coast towns to the remote and unpopulated interior would bring about that increase of population and settlement that the Postmaster-General spoke of. No sane man would be prepared to go into what was practically the wilderness expecting to engage profitably in agricultural pursuits. If agriculture was to be carried on profitably, the place for a man to go was where he could be near a market. If a man wanted to grow cereals, or, say, to cultivate wheat capable of being exported, would he go 300 miles into the interior of the colony? Certainly not. The whole value of his toil, his produce, his substance, would be eaten up by the cost of carriage from that distant place to the port of shipment. How could he compete, 300 miles in the interior, with the agriculturists in the southern colonies, whose places of production were contiguous to the coast? In connection with that subject, he (Mr. Mein) might point out that there were now thousands of acres of agricultural land available for settlement within easy access of the coast towns, and yet there was no population to take them up. Was it likely that population would flock from all quarters of the civilised world to go 300 miles into the unpopulated interior, because it happened that the land was a little better than the coast land, to take it up for agricultural development?

It was not likely at all. The Postmaster-General, however, was candid when he stated that the railways would be most valuable for the pastoralists. That was the whole secret of the Government proposition. The pastoralists who had stations in the vicinity of the railways to be taken westward would, indeed, be benefited by their connection with the coast. Although the Government had not taken the House into their confidence in the matter, it was very well known that from Retreat to Barcaldine Downs the railway would cross eighty miles of desert. Where would be the smiling villages there? There was not a squatter he heard describe that tract of country as other than a barren desert. What would agriculturists do there? The extension of the Central Railway was obviously for one of two reasons: the first, to interfere with and cut out what, under similar circumstances, would be the natural traffic from the interior to the port of Brisbane; the second, to afford a more convenient method than was now available to pastoralists to the westward of Rockhampton of getting to the seaboard. The House were not in a position, with no definite scheme before them for raising the interest on the proposed loan, to authorise the construction of railways for purely pastoral purposes. In connection with that, the Postmaster-General said he had not the slightest doubt an increase of rents would be forthcoming, if the Government gave, not fixity, but an improved tenure to the squatters. No doubt something like fixity of tenure was meant. Nobody who knew him (Mr. Mein) would accuse him of having any feeling against the squatters; he had ever set his face against any class antagonism; and he thought the pastoralists deserved a great deal of consideration and encouragement as the pioneers of settlement in the colony. But they had no vested interest in the soil, and they must give way to *bonâ fide* claims for the settlement of population. He did not think that *bonâ fide* claims for settlement in the west, 300 miles distant, were likely to arise to disturb them for many years to come; and no further tenure should be given to the pastoralists to enable them to snap their fingers at the Government if any opportunity should hereafter arrive for putting the land to better use than for the grazing of live stock. How would length of tenure get from the squatters increased rents? Did the Postmaster-General mean that the Government would propose a measure to the effect that the Legislature should give fixity of tenure to the squatters for a definite term of years, free from control by future legislation, and that, therefore, they would be prepared to increase their rents sufficient to enable the Government to pay the interest upon the cost of constructing the public works now pro-

posed for their benefit? He (Mr. Mein) did not apprehend that the honourable gentleman would venture to make such a proposal as that natural and reasonable one for raising revenue to meet the interest. The Government were laying down a very bad precedent, calculating too much upon the power of the numbers that backed them up in Parliament, when they came down with a proposition to expend £1,170,000 to make railways into the interior, without indicating the points to which the lines were going; and without any definite idea, or definite scheme, beyond a mere general surmise, as to the mode in which the money was to be raised to defray the interest on the outlay, or the loan. He could understand propositions being made to complete works that the colony had already embarked upon. But, considering the present financial depression of the colony, the Government would not have acted unwisely if they had not pushed on those works with the rapidity that they had been doing lately. For the reasons he had urged, they should not enter upon fresh heavy undertakings in the hope of something turning up in the future. It was admitted that times were depressed; that Queensland, in common with other portions of the civilised world, was in a state of depression; therefore, the time was not suitable to enter into extra liabilities. Holding the views he did, he was opposed to the proposition to borrow money. However, he was not disposed to move any amendment on the motion for the second reading of the Bill. Having expressed his views, he should reserve to himself the right to debate any particular item of the Bill in Committee of the Whole.

Mr. MURRAY-PRIOR said that he could hardly allow a matter of so much consequence to pass without saying a few words to explain to the House, as far as he was able, his views upon it. He could not hide from himself that a great deal of harm might come from passing the Loan Bill.

Mr. WALSH: Hear, hear.

Mr. MURRAY-PRIOR: His hon. friend opposite said "Hear, hear." He must compliment him upon the speech he had just made. At the same time, there were many reasons why he (Mr. Murray-Prior) was doubtful which way he should vote. He had at all times shown his feeling against large loans. On one occasion, when the honourable gentleman who last addressed the House was Postmaster-General, and when he attempted to coerce the Chamber into a loan—

Mr. MEIN denied that he had ever attempted to coerce the House.

Mr. MURRAY-PRIOR: The honourable gentleman denied it; but he certainly did attempt to coerce the House.

Mr. MEIN: The coercion was on Mr. Murray-Prior's part.

Mr. MURRAY-PRIOR: He then stood out, and, for one, was the means of preventing the adoption of the railway plans and the passing of the public expenditure thereby involved. Afterwards, however, the Government increased the number of members of the Council, and in the following session they gained their object. He had at times even regretted the action he had taken, for, although he still adhered to the principle he then maintained, no good arose from his resistance—on the contrary, harm. If he could feel that there was a certain number of gentlemen who would on principle oppose the measure before the House, he should be very much inclined to join them. At the same time, he felt that if the measure should not be passed by the present Government, in whom he had far more confidence than in the previous Administration, for the expenditure of money—

MESSRS. WALSH and SANDEMAN: Hear, hear.

Mr. MURRAY-PRIOR: As he knew that honourable gentlemen opposite had a similar scheme in view, though they now went against the present proposal, the whole subject would be certain to come before the House again. The honourable Mr. Mein went against the very scheme which his party owned that they were in favour of, with the exception that they did not think this was exactly the time when the whole debt should be incurred. He (Mr. Murray-Prior) felt confident that if the Bill were not passed now, the present Opposition would only bid higher than the present Ministry did for popular support. He could not help saying it, but the matter of the loan had been made too much of a party question, and was influenced too much by the consideration of who should be in power. The majority in the colony were not those who possessed means; but to them the expenditure of money was everything. They did not look where that money was to come from; they did not consider who would pay the interest on it; they did not consider who was liable for the debt, and who would have to make provision to meet it. There was too much of a scramble as to who should get the greatest amount out of the borrowed money. The late Government had brought the country into a mess. He was glad for one reason that the Standing Orders had not been suspended, and that honourable members would have a little time, after the passing of the second reading of the Bill, to think over it, and to consider how far they should pass the items contained in it. It could not be denied that the country was in a very depressed state, and that not only were all the Australian colonies depressed, but the whole civilised world was suffering from commercial disturbance.



Having gone so far, it was perhaps best under the circumstances that Queensland should act with boldness.

The POSTMASTER-GENERAL: Hear, hear.

Mr. MURRAY-PRIOR: He could compare the colony to a man driving in a carriage along a high road. If only one small bridge were broken, his progress was stopped. He might possibly be worse off; he might have a downfall and come to ruin; but, by making a bold dash, he might pass the obstacle in his way. He was inclined to vote against the Government for some reasons that he had given; but he could not say that he would vote against them. His feeling was one of great dislike to doing so, because worse might happen hereafter than anything he feared from them. Perhaps the expenditure of the loan might tide the colony over its difficulties. Before the end of three years prosperity might return, and even the adversities of the old countries might bring to this colony many people who would help on its progress. For those reasons he candidly admitted that, though he did not like to vote for the Government proposition, he could not vote with the Opposition. He was frightened of them. He thought at one time that the proper course for him to pursue would be to absent himself from the House entirely; but, on thinking over the matter, he felt that that would be cowardly. He therefore made up his mind to explain, as he had just done, his reasons for taking the stand he now took. If he did not give his vote for the Government, but went out of the House, it was because he could not vote with the other party. He agreed with a great deal that had fallen from the honourable Mr. Walsh; and he trusted that, when they were in committee, the Postmaster-General would be in a position to answer the questions which had been raised in this debate. His action would depend upon what might be said by speakers who followed him. He did not rise from any wish to follow the honourable Mr. Mein; he had been anxious that some honourable member in the interests of the Government should have followed him and explained to the House questions which had been raised. He hoped that other honourable members would show matters in such a light that he should be able conscientiously to vote for the Government. He would not now go into figures; there was plenty of time for that. He regarded the altercation that took place at an earlier hour, between the honourable Mr. Mein and the Postmaster-General—

Mr. MEIN rose to a point of order. What had the matter referred to by the honourable member to do with the Loan Bill? He would not have interrupted the honourable gentleman, but he had no right of reply, and he would not be lectured by him.

The PRESIDENT reminded the honourable Mr. Murray-Prior that he was departing from the question before the House.

Mr. MURRAY-PRIOR was aware that he was not speaking strictly to the question; but he would avail himself of another opportunity, when the honourable member would have the right of reply.

Mr. Box did not like the Bill to pass the second reading without expressing his reasons for the vote he should give, if the question ever came to a division. He could not help thinking that the honourable gentleman in charge of the Bill gave very few reasons in support of it; whilst the honourable Mr. Walsh gave very good reasons against it. It was his duty, in regard to the present state of affairs, to put his views before the House; and in respect thereof, he must say that he could not agree with the honourable Mr. Walsh, that Queensland was in a worse position than ever before. This colony was not now in a worse position than in 1866-7. As regarded the effect of the position of the colony on the present question, as the Government had confidence in the colony and its resources, there could not to his mind be a better time than the present to go to the English capitalist and ask him to lend his money. At home, money was cheap; articles required by the colony could be manufactured better and cheaper than ever before; and the money or the articles, or rather both, were required by the colony for the purpose of developing its resources and constructing reproductive works. No doubt, the position of the colony had been affected by the action of the late Government.

Messrs. WALSH and SANDEMAN: Hear, hear.

Mr. Box: He had assisted the honourable Mr. Murray-Prior and a majority of the Council to delay and to prevent the construction of five railways; but in the following session, owing to certain action of the Government, the House decided that those railways should be proceeded with. The action of the late Government, he repeated, led the colony to its present position; and if the present Government did not adopt some measure to forward the objects set forth in the Loan Bill, all the money that had been spent heretofore on the railways would be comparatively wasted—unless the existing contracts were completed, and unless the railways were carried out to some advantageous limit. He was ready to vote for the Bill, because he had more confidence in the present Government than he had in their predecessors. He was credibly informed that the late Government, or the present Opposition, if in office, would have a similar policy. The present Government would go boldly to the money-lenders and say at once what they were going to do, and

what they required to borrow for; their opponents would go in for the same amount of capital, but would protract the loan over some years—they would ask for a million a-year instead of asking for the whole amount at once. The great works that the colony was carrying out were premature; the population did not want them; but, having been entered upon, the effect of stopping them would be far more injurious than to boldly continue them in the hope that a revenue would be derived from them when completed. He regretted very much that he should have to record a vote which would involve the country in large expenditure; but, for reasons stated, he thought it was the best step he could take in the existing contingency, hoping that the works to be carried out would be remunerative. The honourable Mr. Walsh stated that, when he was Minister for Works, the loss on the railways was £500 a mile per annum; whereas, now, the loss was about £370. Well, that showed that as the works extended the loss to the colony decreased. Since the honourable gentleman was a Minister public works had been extending, and they paid better now than they did then. He (Mr. Box) did not pretend that he thought the railways to the west would pay; but it was better to carry them out as proposed than to let them terminate as at present. The Postmaster-General did not give the House any grounds for hope that they would pay. It might be considered, however, that much of the country that was now used for cattle would be available for sheep, and that wool would be produced on the best runs instead of stock which now could hardly be realised upon. The world would buy fine wool.

Mr. SANDEMAN: Hear, hear.

Mr. HEUSSLER observed that the Bill was a very important one. During the debate, some honourable members stated that they did not like the previous Government, and that they had confidence in the present. For his own part, he thought "there were six of one and half-a-dozen of the other." There had been constant agitation, desire of office and power, changes of Ministry, and apparently a great deal of personal ambition. The late Government differed not much in their measures from the present Government, only in the style or manner of carrying them out. They proposed now, as the Opposition, that provision should be made for the payment of the interest of the loans which the present Government would negotiate. The present Government had appropriated a very nice sum out of the proceeds from the railway reserves which the late Government had intended to make railways with. When the late Government brought in their measures, he was convinced that their Railway

Reserves Act would never bring to pass what was anticipated in the way of paying for the works; and he said so at the time. However, he held the opinion that it would be very well to go in for the progressive construction of railways, but not with the view that they should be a burden on the country. He denied *in toto* the position taken up by the Postmaster-General, that the railways now proposed would not be a burden on the taxpayers, and that they would bring in a fair amount of interest on the capital expended. The more the railways were extended into the interior, the less per centage would be derived from that source.

Mr. WALSH: Hear, hear.

Mr. HEUSSLER: He moved, some time ago, for certain returns, which appeared yesterday only, and which were not printed yet. If he had them in his hands, he could prove to the House with great ease that the traffic beyond Roma would not pay at all for the Western Railway; and the same for the other proposed extensions. On the contrary, he believed that the taxpayers would have to provide for a deficiency on working the railways. Therefore, his idea was expounded, that it was a very good plan to have railway reserves from which to sell so much land as was necessary to pay the interest on the borrowed capital spent in railway construction. The day would arrive when the Parliament would go back to that principle. Until that time, he could not well see what the country was to do. In passing the Loan Bill for such a great sum of money, the Council would take an immense responsibility on themselves; yet he did not see how they could avoid it. The country was seemingly agitating for the loan; the cry was, that it wanted foreign capital, in order to improve its position. Whether it would not get much deeper into the mire than at present was a question which could not now be solved. He trusted that no such serious result would follow. However, he could not see the end of borrowing. The three millions of money now asked for would be spent, as previous loans had been spent, and when that was gone the country would still crave for more, and the burden would remain and grow greater and greater, until it should become intolerable to the inhabitants of this young colony. There was only one solution of the difficulty. If the railway must go to the west, there was a large patrimony in the Crown lands which we might be forced by the Imperial Government to give up;—if we outran the constable altogether, or if we got into a state of national insolvency—the home authorities might in their wisdom ask us to return to them what they never ought to have given up, and they might take possession again of the lands and manage them better than the Colonial Government had managed them.

He said unhesitatingly that the public lands had been mismanaged ever since Queensland became a colony. There was a very good law in existence, in the first instance, relating to leasing and agricultural reserves; and, if it had been carried out in a liberal spirit, nothing further was required. It was sufficient to provide for all wants. The purchasing of immense tracts of land that had been so often spoken of was the greatest drawback to the welfare and progress of the colony. It was notorious that land bought at the highest price in the pastoral districts under the present system of sheep and cattle farming would not pay the interest of the capital expended; and he was afraid that some day, if an improvement was not brought about, the fear which the Postmaster-General expressed, that the graziers or squatters would not hold their own, would be realised. He should be very sorry for it; but there was something materially wrong in the system of sheep-farming in Queensland. Speaking from memory, about four years ago, there were 8,500,000 sheep in this colony, as returned by the Registrar-General. The last return showed about 5,500,000 only. If the natural increase had been secured, which the colony had been accustomed to in olden times, there ought to be about 20,000,000 sheep in the colony at the present time.

Mr. SANDEMAN: Hear, hear.

Mr. HEUSSLER: There he found sufficient reason for the existing depression. He was afraid that the House could not impute to railway making, or set down to the account of the forced progressive measures, that calamitous state of things. With patience and good seasons the country might rise out of its difficulties; but the loss that had been sustained it could never recover. An honourable gentleman stated that legislation had prevented capitalists coming to the country to invest their money. In his (Mr. Heussler's) humble opinion, if capitalists had seen any profitable means whatever of investment they would have come. Nearly all those who had come had spent their fine bright sovereigns in hundred and thousands and had had to go back home, perhaps, with but a tenth part of what they had possessed—the nine parts being lost in sheep-farming, to a great extent. Fortunately, there had been other industries growing up, and amongst them sugar-planting, farming in general, and mining. Those three chiefly had kept up the colony of late years. It was a great pity that he had to make those statements; but he felt that it was his duty to do so; for it was much better to look serious circumstances in the face than to hide them—like an ostrich, which put its head in the sand and saw not its danger. It behoved every one to face the truth, and

to endeavour to ascertain why an important colonial industry had been so unprofitable compared to what its condition was some years ago. What he said was, that sheep-farmers should not go in so much for numbers, but for quality. The question had not been sufficiently looked into by proprietors and flock-masters. Pastoral occupation for sheep-grazing was generally speculative. Squatters tried to get as many sheep as possible on their runs, and then they tried to get somebody to buy them out, whilst they went home with the spoil. Their successors generally had to suffer, which was the reason why many had for years laboured under difficulties before they could make up their original loss. However, it was not, perhaps, so much the duty of the Council to do what the Postmaster-General had described, to make the wilderness productive, as to settle the country permanently and to make as many happy and prosperous inhabitants as they possibly could. They should never lose sight of that. In connection with it, he might indicate a very serious feature. A few days ago he saw in a newspaper what showed him that this colony did not get the best of the farming class from the old country. A number of English farmers, each in possession of £500 capital, had clubbed together to go out to Texas, instead of to Australia. It was a grave consideration that Englishmen should prefer a foreign country to the British colonies, which they could so well populate and improve. Why was that? Surely Texas must be more productive than Queensland or any of the other neighbouring colonies. He should now make a little criticism on the Bill itself. Immigration was suspended and would not be revived for some time, until the demand for labour was felt again, and then immigration would only be carried out during certain seasons. Well, it was a great pity the colony could not get such men as those farmers, who would bring their hands and their money, and who would require labour themselves. If the colony should be confined to its present industries, he did not see how a demand for labour was to spring up, except through a large expenditure on public works, which would require a temporary influx of labour. But that was a very unsound and dangerous way to go on, in building up a country. As to immigration at certain seasons, the Postmaster-General could not have studied the way in which immigration must of necessity be carried out, under the exigencies that ruled at home, or he would not have made the remarks which had been addressed by him to the House. If the honourable gentleman had that experience which he (Mr. Heussler) had gained personally, as emigration agent

for the colony at home, he would know that the colony must take what it could get. He could not go home and say, he would only take emigrants for Queensland in such and such a season. The best emigrants to secure were the farming class, who had some little money or property. Their property could only be realised at a particular season, after the harvest. Then the agent at home must take the people when they wished to emigrate. If he did not, the colony might get the sweepings of the streets of London and other English or Continental towns; plenty of whom had already come out here, for the colony had indeed too many of them.

Mr. SANDEMAN: Hear, hear.

Mr. HEUSSLER: Any others but farmers, the class of all others that should be secured, could be provided for through the Agent-General. The tillers of the soil, with a fair proportion of mechanics, were the people that Queensland wanted. Trading was always an overdone occupation in the colonies, and no more of the mere trading classes were wanted. No merchants had become opulent in Queensland from that reason alone. The honourable Mr. Walsh designated the Maryborough and Gympie Railway as a swindle; but he (Mr. Heussler) could not think the word was used in an unfriendly way.

Mr. WALSH said he quoted what was said elsewhere by the Ministry.

Mr. HEUSSLER: He had been somewhat instrumental in getting up that swindle.

Mr. WALSH: He would not acknowledge it.

Mr. HEUSSLER: He did not like to stand behind a screen; he always preferred to act openly. He considered at the time, and he still considered, that the Maryborough and Gympie Railway was a work which would prove to be one of the best in the colony; and it would yet prove beneficial to the people of Brisbane. Originally he argued that a line which would be used by 25,000 people could not be entirely useless. At a future time, he looked to the metropolis being connected with it. Hitherto, the Legislature had been, perhaps, too progressive; and the colony had a hot-house forced growth. But one thing led to another; and when the first step onwards in any direction was taken it was hard to say how far one would go. He approved of the Warwick and Stanthorpe Railway. The only line he had disapproved of was the Bundaberg and Mount Perry, which he did not regard as one that ought to be extended; though it seemed that the district was at the present time one of the most prosperous in the colony, through the exertions of a very energetic farming population settled there. He hoped that prosperity would not lapse. The honourable Mr. Walsh said that he would stop the trunk railways now, and not extend them

further west; that the first loss would be the least and the best. Certainly, he (Mr. Heussler) could not agree with that. It would be most dangerous that an in-coming Government should in any way repudiate the measures initiated by a preceding Government which Parliament had sanctioned or established. If that were once admitted there would be a game of retaliation by rival Ministries which would only make matters much worse than they were at the present time or could be under any other circumstances. Now, came the question of the cost of the railways. The Postmaster-General spoke of an average of £3,000 per mile, as the cost at which the railways would be finished, with the exception of providing rolling-stock. If the Government accomplished that feat, he (Mr. Heussler) should have to congratulate them. However, it went a little beyond his comprehension how they would be able to do it. Great stress was laid upon steel rails, instead of iron. That sounded very well. It was a fact that steel was now very little dearer than iron.

Mr. WALSH: Not so dear.

Mr. HEUSSLER: That was by reason of a recent discovery in manufacture. In former times, before the process now used was known, the iron was made first, and it was afterwards converted into steel. Now, steel was made at once at the puddling works, and could be turned out nearly as cheaply as iron. If, again, it was taken into consideration that steel rails need not be so heavy as iron rails, their employment in a far off colony like Queensland, where freight and charges made such a difference, was to be advocated irrespective of the advantages of perfection in manufacture; so that he could not see why steel rails should not be as cheap as iron rails, after conveyance hither. With regard to a question which the honourable Mr. Walsh had touched upon, concerning the railway between Maryborough and Burrum, £54,000, he could not exactly say that the Government were to blame for putting that item in their Loan Estimates. If they did not want to use the money, it could lapse.

Mr. WALSH: It was illegal.

Mr. HEUSSLER: Well, Parliament might make it lawful. If the loan should be raised in its entirety in the London market, he did not know what was to become of it. He supposed it must just be dealt with as that £54,000 would have to be dealt with if it lapsed. In the meantime, it could be stored up. How the Government would lodge such an immense sum was not expressed in the Bill. He should like to hear something about it.

Mr. EDMONSTONE: The Queensland Bank would have it.

Mr. HEUSSLER: If the Postmaster-General was present and heard his remarks,

the honourable gentleman would perhaps let the House know something about the matter.

Mr. MEIN: Lend it to the banks.

Mr. HEUSSLER: He durst say they had already matured their course of action, because it seemed that by March next the debentures must be in the London market, to be sold. There need not be any doubt about the debentures being sold. The only question was at what price would they be sold?

Mr. MEIN: 75 per cent.

Mr. HEUSSLER: It was a fact that the last loan had seriously affected the colony's debentures. He had no doubt that, when the present loan was put on the market, the Government would have to accept a comparatively bad price for the debentures, compared to what they had been accustomed to. He hoped that the money-market would then be as flush as it was at the present time, to give Queensland a good chance to get good value for her paper. The English capitalists had a peculiar way of arriving at a conclusion as to what was good paper and what was not, and he was afraid that Queensland debentures would not be considered first-class paper. They were not considered so now. He hoped they would not come down to be third-class paper. The great question was whether the new debentures would not have to be parted with at a great loss to the colony. Amongst other items in the Bill he saw defences of the colony, £10,000. His opinion, which he had recorded on various occasions, was that spending money on defences was just wasting it.

Mr. WALSH: Hear, hear.

Mr. HEUSSLER: As to the loans to local bodies, he had nothing to say. The amount put down to make good a deficit on previous loans was a natural consequence of borrowing money. There seemed to be at the present time great agitation about road boards and shire councils, for which £100,000 was put down. He was not of opinion that they should be established, as his experience had led him to note that local boards could never get fair value for the money expended, in the same way as the Government could. The colony was very sparsely populated, and there were very few able men in it to undertake engineering works, while those few were chiefly employed by the Government. It had been stated by the Postmaster-General that the Government staff was very complete. He was of opinion that in a community not larger in population than a middle-sized town in the mother-country, it was best to leave the Government to spend whatever little there was to be spent on roads and bridges, under their well-organised Works Department. He might be wrong in his deductions, but

the experience which he had gained led him to think that he was right, and he believed that hereafter it would be found that what he advised would have to be done. He did not think the Divisional Boards Bill would ever work beneficially. The Legislature might let well alone, notwithstanding the considerable amount of log-rolling which he knew was going on. There would not be less, if that measure came into operation. With regard to the avoidance of log-rolling, the various Governments of the colony had not made a strong stand against it. He sometimes thought it would be well that Ministers of the Crown upon their retirement from office should have an allowance in lieu of the salaries which they lost, and then they would not be so anxious, as they were now, for the loaves and fishes; nor would there be so much factious opposition on the part of the "outs" towards the "ins," and log-rolling could be reduced to its proper footing. A representative should work for the welfare of the colony as well as for his constituency, and should have no inducement to sell his vote. He believed that in his (Mr. Heussler's) own country, and in many other countries, there was a law by which needy retired Ministers of the Crown could make use of such a fund as he advocated for their maintenance. He was quite sure that the expenditure of, say, £3,000 or £4,000 a-year, would result in a ten-fold saving to the colony in the avoidance of the present anomalous state of things, and the public interests would have a chance of being well served. He repeated, in the cause of economy and correct working, that he did not believe in the new-fangled institutions proposed by the Government, which, by the way, were only a repetition of that which was passed a few years ago, and which did not work at all;—indeed, up to the present time, no attempt had been made to bring them into working. He did not think the new measure of the Government would be of any advantage in that respect. He had only one remark to make, in conclusion, and one of a serious nature. He looked with great dismay on the proceedings of all the Australian Parliaments. They had degenerated. They had plunged the colonies into immense difficulties; and for what? For works of a very doubtful nature generally, in regard to progress. He thought that, until there was a confederation of all the colonies, there would be no proper system of railway making. No doubt such an object would not be obtained for some time to come. It would not be an unwise step, anyhow, for the present Government to initiate proceedings for the adoption of such a confederacy. If the Australian colonies were a confederation, with their two millions of inhabitants, they would all fare better with their loans at home and in the making of their railways

than they had fared up to this time; and Parliamentary Government would be much more like the real thing than it was now. However, that was one of those Utopian ideas that might be realised when the immense current fallacies of the colonies and immature projects of the present time were exploded. He had closed his remarks on the Bill. He supposed the House would have to accept it in the way of progress. They could not stop the wheels going round; but he must express his regret that real progress and real happiness for the community would not be attained by it.

Question put and passed.

#### LIFE INSURANCE BILL.

On the motion of Mr. MEIN, the House resolved into Committee of the Whole for the consideration in detail of the Life Insurance Bill.

Clause 4—Certain sums may be paid to representatives of insured without administration.

The POSTMASTER-GENERAL said he should like to see a corresponding clause of the Victorian Act substituted in the Bill for the clause before the Committee, and it would be a very great improvement, for the reasons given by him on the second reading.

Mr. MEIN said he did not see the improvement that the clause from the Victorian Act would be. Both clauses gave a direction to a society to pay certain money. By the Bill, the company must be satisfied that no will was left by the deceased insured person, and that administration was not taken out; by the Victorian Act, if probate was not taken out within three months, the company could pay the money, and the receipt of the widow of the deceased insured person to whom the money was paid would be a valid discharge. He could see cases in which it would be very undesirable that the latter provision should operate. A man who died in the colony might have left a will in England, bequeathing his property to some other person than the one who might claim from the insurance company. The section referred to by the Postmaster-General put too much power into the hands of the company, who might pay money to a person who had no right to it all, and, having a receipt, they would not be liable at all to the person entitled under the will. He (Mr. Mein) thought the clause in the Bill was best, by requiring the company to satisfy themselves that there was no will; it threw upon the company the taking of proper precautions. As affecting the question involved, he described the bearing of the statute of distributions on cases that might arise under the clause. If no will was left, under ordinary circum-

stances the widow was the proper person to take out letters of administration; and the clause would relieve her, where only £100 was at stake, from the necessity of taking out letters of administration and going to an expense of about £8.

The POSTMASTER-GENERAL appreciated the remarks of the honourable gentleman; but there were one or two other matters of ambiguity in the clause that he did not like; and he asked that it should be left out of the Bill altogether. In Australian history no insurance company ever was satisfied.

Mr. Box urged that the clause dealt only with small insurances, as to which companies were disposed to be liberal.

Mr. TURNER said he approved of the change suggested by the Postmaster-General in favour of the Victorian Act, as he could confirm by practical knowledge what the honourable gentleman said before about the section in the Mutual Provident Society's Act corresponding to the clause being practically inoperative. The intention of the clause was, as Mr. Box stated, to assist poor people, and at a time when they most needed assistance. A company could never be safe in paying money under the section; they could not satisfy themselves that letters of administration would not be taken out. As to leaving out the clause altogether, as it was an object to place all insurance companies on one footing, some equivalent must be inserted.

Mr. MEIN would never be a party to putting companies in a position to do injustice, if he could avoid it. However, he might meet the Postmaster-General and Mr. Turner half-way and improve the clause in one direction indicated; and he suggested verbal amendments in the 35th and 36th lines of the clause, and an addition in the latter line, with which it read as follows:—

It shall be lawful for any insurance company if satisfied that no will was left by a deceased insured person and if no letters of administration of the goods of such deceased shall be taken out within three months after the death of the insured to pay any sum not exceeding one hundred pounds together with any sum which may have been added thereto by way of bonus or profit to the widow or widower of such deceased or to or amongst his or her child or children without such letters being taken out.

Mr. Box hoped the Postmaster-General would accept the amendments.

Mr. TURNER regarded the amendments as a great improvement on the clause. It would be pretty easy to get satisfactory proof of the non-existence of a will in three months.

Mr. HART approved of the clause in the amended form, and of its intention to assist poor persons in time of need. He agreed that insurance companies, whom he had

found liberal, ought to be protected, and three months was a fair time.

The POSTMASTER-GENERAL acknowledged that the amendments suggested would improve the clause very much; and he undertook to move them as suggested by the honourable Mr. Mein.

The clause was amended accordingly and passed.

Mr. Box moved the insertion of a new clause, to stand clause 5 of the Bill, which he had shown to the honourable Mr. Mein, and which was for the most part approved of by him:—

Whenever a policy or contract for life assurance endowment or annuity shall have endured for at least two years the age of the insured shall except in the case of fraud be deemed to have been admitted by the insurance company with whom such policy or contract shall have been made and the principal sum assured and all bonuses and policies accrued shall be payable on satisfactory proof of the death of the assured and no other proof shall be required.

The portion of it to which the honourable Mr. Mein objected was the latter; and he thought that some other proof should be required. His (Mr. Box's) object in moving it was to avoid what was now an evil in insurance offices getting lives and receiving premiums, and afterwards refusing to pay on a policy, because the deceased insured person had not proved his age. Men in humble life often found it difficult to prove their age, and did not know where they were born. If that was so, how much greater must it be for a widow to find satisfactory proof of her deceased husband's age? A trouble existed that the law ought to provide for and put a stop to. If a company would not demand proof of age while a man was alive, and if they received his premiums for two years without objection, they should not be at liberty to refuse to pay the policy effected on his life, after he was dead. While he was alive the company could take his own proof, and the word or evidence of his relations and friends, as they took his premiums. At any rate, there was a contract, and they should not be at liberty to repudiate it for such cause. He (Mr. Box) hoped the Committee would accept the clause.

Mr. MEIN said he was prepared to accept the clause, except the last part of it, to which he had very serious objections. There was peculiar force in the statement of the honourable Mr. Box, that, if premiums were accepted for two years, when opportunities were afforded for making inquiries as to the age of an insured person, an insurance company should not be at liberty to repudiate their contract for want of proof of age. Of course, fraud and improper representations were excepted. The proviso would impose upon a society

the payment of money under a policy in any case whatever. A person might not have kept up his premiums;—and there were several other contingencies in which its operation would not be just. If the clause simply provided that, in the absence of fraud, the acceptance of the premiums on a life policy, say, for three years, would be equivalent to the admission of the proof of age by the insured, he was prepared to accept it, and the object of the honourable gentleman would be attained. But the latter part of the clause would open the door to improper demands upon insurance companies for payments which were not legitimate and to great injustice.

The POSTMASTER-GENERAL approved of what the honourable member said as to the latter part of the clause. Otherwise, the clause carried out an improvement which he himself meant to move. Although, since the second reading of the Bill, he found that the non-proof of age did not affect the validity of policies, and that the money could not be withheld; yet, he thought it was very desirable to insert the clause in the Bill, as it could do no possible harm.

The clause was agreed to with the changes suggested.

Clause 6—Annual statement of liabilities and assets to be prepared by insurance company.

The POSTMASTER-GENERAL said he did not see his way to accept the clause at all, because of the schedule attached to it, in which the bald statement of "all other liabilities" would make a company appear insolvent. He believed that the honourable Mr. Turner had an amendment to propose by which contingent liabilities would be distinguished from others, and which would enable anyone to form a pretty good estimate of the real position of the affairs of any company with whom he desired to insure. At the same time, he (the Postmaster-General) thought it would be desirable if far more information in the schedule were demanded.

Mr. Box said he should like the honourable member to consent to omit the word "clerk," leaving the abstract and statement to be sworn to by the "resident managing director or secretary." The affidavit of a clerk might be of no worth whatever.

Mr. MEIN said that the clause was intended to meet those cases where there was no resident managing director or secretary of societies who were carrying on business in towns of the colony; and, in such cases, the verification of "the clerk"—it was the definite prefix—who represented a society would be accepted.

Mr. TURNER suggested the substitution of the word "agent," for "clerk."

Mr. MEIN was quite content; and thereupon the clause was amended according to the last suggestion made.

Further amendments were effected for the improvement of the redundant phraseology of the clause.

Clause 7—Penalty for non-compliance with requirements of Act.

Mr. BOX said he should like to see the provision of the Tasmanian Act adopted, under which the penalty would be £100, to be recovered by any person, instead of £10 for every day of default. He did not think the duty of suing should be on the Colonial Treasurer alone.

Mr. MEIN: The Treasury got the plum.

Mr. BOX: But the Treasurer did not himself get it.

Mr. MEIN: The Government were hard-up, just now, as the Postmaster-General admitted; for which reason the clause should stand. However, as he saw that the penalty in the English and the Victorian Statutes was £50, he had no objection, if the Committee wished, to make the penalty £50. He did not see why the Legislature should subsidise informers.

Mr. TURNER: That would be £50 per day.

Mr. MEIN: Well, a company knew what their duties were under the statute. If the omission should be through negligence, they must certainly conduct their business in an unsatisfactory way for the public. The Treasurer would be able to exercise some discretion in a case which, perhaps, might arise from the fault of a clerk; but a person who would sue for the sake of £25, or half the penalty, would not, and should not be encouraged.

Mr. HART said he thought £10 a-day was enough to keep a society up to their work. If a society meant to act wilfully in deceiving the public, £50 would not be sufficient or efficacious to prevent them. Some offices conducted their business with an agent and a clerk; if the agent fell ill, the clerk might omit, through press of work, to send in the statement duly.

Mr. BOX: There was no penalty for making a false declaration.

Mr. MEIN: Section 22 of the Acts Shortening Act met the case, making a false declaration a misdemeanor and punishable as wilful and corrupt perjury.

Mr. BOX: There were Acts in force referring to other companies which contained such a clause.

Mr. HART: The case was met as pointed out by the honourable gentleman in charge of the Bill.

The POSTMASTER-GENERAL would object to the insertion of a new clause, on the ground that it was desirable to prevent surplusage. As pointed out, the Acts Shortening Act met the case.

Mr. BOX: The appearance of the clause in the Act might deter a person from committing an offence, who might not know, any more than he did just now, of the existence of the provision mentioned.

The POSTMASTER-GENERAL: He thought everyone understood that if he made a false oath he was punishable.

The clause was passed without amendment, other than the substitution of the word "agent" for "clerk."

Clause 8—Clause to apply to all companies and policies—was amended by the substitution of the word "six" for "five" in the last sentence, so as to embrace the new clause, 5.

In answer to Mr. BOX, who said there were no provisions for the publication of the statements at the companies' expense, and for the word "limited" to be placed on the face of policies issued by limited insurance companies.

The POSTMASTER-GENERAL said the Committee would have a great deal to do to make the fragmentary Bill complete.

Mr. MEIN referred to clause 6, which was explicit enough; and he said it was not likely that the Government Printer would receive a statement for publication in the *Gazette* unless the agent, secretary, or manager paid for it. Under the provisions of a statute passed in 1863, the word "limited" must be used as part of the title of any limited liability company.

The POSTMASTER-GENERAL cited the opinion of the Attorney-General in regard to a special case, and was understood to urge that there were difficulties in the way of suing companies not registered in the colony.

Mr. MEIN expressed his opinion that the case submitted to the Attorney-General could not have been complete; otherwise, he was sorry to differ from the honourable and learned gentleman. Process could be served on the agent of any company doing business in the colony, and judgment could be obtained against them; but if the company had no assets in the colony to levy upon, the suitor could not get satisfaction of the judgment. Practically, a person might have to go out of the colony to sue for his money. The honourable gentleman cited a case in point. There would be an advantage in having the law assimilated to the law of other colonies; and he threw this out as a suggestion to the Postmaster-General for his adoption when preparing the comprehensive measure promised by him next session—that every company doing business in Queensland should have assets in the colony.

The schedule was amended so as to show on the debit side of a company's annual abstract of liabilities and assets—"Total contingent liabilities," "Amount of contingent liabilities at the date of last periodical examination," and "Amount estimated to be required to re-insure same," severally and separately.

On the resumption of the House, the Bill was reported with amendments, and the report was adopted.

The House adjourned at 9:35 p.m.