Queensland

Parliamentary Debates
[Hansard]

Legislative Assembly

WEDNESDAY, 6 SEPTEMBER 1882

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LEGISLATIVE ASSEMBLY.

Wednesday, 6 September, 1882.

Petitions.—Duty on Cedar Bill.—Port Dues Revision Bill—first reading.—Ways and Means—committee.—Pastoral Leases Bill—second reading.—Tramways Bill—resumption of committee.

The SPEAKER took the chair at half-past 3 o'clock.

PETITIONS.

Mr. BAILEY presented a petition from certain Chemists and Druggists in the city of Brisbane, praying that they might be relieved from the conditions imposed upon them by the Bill to Amend the laws relating to Jurors and to Amend the Jury Act of 1867.

Petition read and received.

Mr. BLACK presented a petition from certain Selectors in the district of Cook, praying for relief from the conditions imposed by certain clauses in the Land Act of 1876; also a petition from Selectors on the Tully River to the same effect. He said he would not ask that the petitions be read, because they were exactly similar to those that were read on the same subject last week. He moved that the petitions be received.

Question put and passed.

DUTY ON CEDAR BILL.

Upon the Order of the Day being called for consideration in Committee of the Whole of the message of His Excellency the Governor of date the 5th instant, relative to this Bill,

The COLONIAL TREASURER (Hon. A. Archer) said the Bill had been inadvertently sent down by message, and he therefore moved that it be discharged from the paper.

Question put and passed.

PORT DUES REVISION BILL—FIRST READING.

On the motion of the COLONIAL TREASURER, the House, in Committee of the Whole, affirmed the desirableness of introducing a Bill to amend the Navigation Act of 1876, as recommended by message of His Excellency the Governor of the 5th instant. The Bill was read a first time, and the second reading made an Order of the Day for Tuesday next.

WAYS AND MEANS—COMMITTEE.

The COLONIAL TREASURER moved that the House resolve itself into a Committee of Ways and Means.

Mr. BAILEY said he wished to call attention to one of the petitions presented that afternoon by the hon. member for Mackay. On a former occasion he had objected to the way in which certain petitions were got up. He noticed now that in the petition from Cooktown there was a list of about twenty names, and that no less than five out of those twenty were the names of absentee proprietors signed by agents. One was signed by a lawyer who did not hold an acre of land there, though he signed as a sugar-planter. When petitions were brought to the House, ordinary care should be——

The PREMIER (Hon. T. McIlwraith) rose to a point of order. The remarks of the hon. member had nothing to do with the motion to go into Committee of Ways and Means.

The SPEAKER said that if the hon. member wished to call attention to any inaccuracy in a petition he should do so by means of a substantive motion.

Question put and passed.

The COLONIAL TREASURER moved—

That towards making good the supply granted to Her Majesty, in lieu of the duty now collected and paid on log cedar timber, there shall be levied, collected, and paid to Her Majesty on the exportation from Queensland of all cedar timber in the log, a Customs duty of twelve shillings per one hundred superficial feet an inch thick, and a duty at the same rate on all sawn cedar timber over four inches in thickness.

The HON. S. W. GRIFFITH said that according to the practice of Parliament the present would be the proper time to discuss the subject on its merits; but no intimation had been given to hon. members that such a subject would be introduced that afternoon. If a majority in the House were of opinion, as he hoped they were, that the duty, if increased at all, should be increased gradually and subject to some limitations, the present was the time for them to debate the matter, because, when the Committee of Ways and Means had come to a decision, the passage of a Bill to give effect to their resolution was generally regarded as merely formal. To pass the present motion as formal and take the debate on the second reading of the Bill would be as irregular as it would be to pass the Estimates formally and discuss them on the second reading of the Appropriation Bill. Of course the hon. gentleman in charge of the Treasury knew that the proposal would be strongly opposed by a great number of persons, and would require to be discussed more fully than it could be discussed in the House on the second reading of the Bill. The hon. gentleman would find that it was quite unprecedented to take a debate on a proposed increase of taxation in any other manner than in Committee of Ways and Means.

The COLONIAL TREASURER said he failed to see why the discussion could not be taken before the whole House, seeing that any necessary alteration could be made afterwards in Committee of the whole House. The Govern-

ment had no desire to hurry the Bill through, but it would be convenient to place the measure on the business-paper so that it could come on for discussion probably on Monday next.

The PREMIER said he was aware that it had been the custom—and rightly so—that the details of a Bill dealing with the tariff should be considered in Committee of Ways and Means. The reason for not following that precedent on the present occasion was that, as the Bill would simply effect the one object of raising a duty from one amount to another amount, the Government considered that any discussion on the subject might very well be deferred until the Bill came on for its second reading. It was, however, only a matter of form, and if there was any difficulty in the way it would perhaps be better that his hon. friend the Colonial Treasurer should move the Chairman out of the chair.

Mr. GRIFFITH said he took the objection because he knew there would be a lengthy discussion. Although the Government were no doubt strong enough to carry the motion, he hoped that some hon. members would be able to bring about some modifications; but it would be practically impossible to do so after the resolution of the Committee of Ways and Means had been adopted. A proposal might be made from some part of the House for a postponement of the operation of the duty; also, perhaps, for the gradual introduction of the alteration; and, perhaps, for some other modifications. Those objects could be obtained by means of modifications in the motion now before the Committee, and then a Bill would be brought in to carry into effect the resolution; but it would be extremely inconvenient to take the discussion on the Bill, and would take up quite as much time.

The PREMIER said the reason why the Government had pursued the course they had was that they wished to anticipate the difficulties which the hon. gentleman had suggested might present themselves. The hon. gentleman suggested that an amendment might be moved to postpone for a certain time the imposition of the increased duty, or to impose it gradually. Those were about the same thing, and it was in order to let the country know that the increased duty was not to be imposed at once that the Government desired to place the Bill before the House without delay. An impression was abroad that the Bill was intended to effect the alteration at once; but that was erroneous, as the Bill provided that it should not come into operation until the 1st of January next. The reasons that he had given for the course the Government had proposed to take would not have held good in the case of an ordinary Tariff Bill where there was a list of numerous articles requiring to be discussed in detail; but in the case of a Bill making but a single alteration he thought the argument held good. It was necessary that the intention of the Government not to impose the increased duty before the 1st January next should be made known to the country, the Government having been deluged with letters from persons interested; and, having made that announcement to the House, it was a matter of indifference which course was followed. He would suggest that the Colonial Treasurer should move the Chairman out of the chair.

Mr. McLEAN said he hoped that the Government would give an intimation to the House when the matter would come on for consideration in Committee of Ways and Means, as there would probably be a good deal of discussion. It was a monstrous thing that an additional duty of 10s. for every 100 feet should be put on all at once; and he feared such a duty would simply kill the cedar trade in the southern portion of Queensland. There would be a good deal of discussion, and probably several amendments would be moved.

The COLONIAL TREASURER said he was quite prepared to adopt the suggestion of the Premier. He moved that the Chairman leave the chair and report no progress.

Question put and passed.

The CHAIRMAN reported no progress, and obtained leave to sit again on Monday next.

PASTORAL LEASES BILL—SECOND READING.

On the Order of the Day being read—Pastoral Leases Bill: Resumption of adjourned debate on Mr. Perkins' motion, that the Bill be now read a second time—

Mr. McLEAN said that the Bill and the one that was read a second time yesterday might be looked upon as a sort of Siamese twins. There was comparatively little difference between them, and the principle adopted was the same in each. The Minister for Lands gave as his reason for introducing the Bill that a number of pastoral lessees who ought to have come under the operation of the Act of 1869 had, either through carelessness or wilful neglect, failed to avail themselves of the privileges of that Act. He (Mr. McLean) failed to see why exceptional provisions should be made for those individuals. It could not be said that they had neglected to avail themselves of the Act by want of information concerning it, for it could not be doubted that they were all thoroughly acquainted with it. In looking over the return of the number of leases that would fall in between 30th June, 1883, and 30th June, 1890, he found that, notwithstanding that they had been subjected to the principle of appraisement which was so warmly advocated by the Government, the result of their previous experience of that principle had been that the country had received nothing like the proper value for the lands held by the pastoral lessees. He did not see how the country was likely to derive any more benefit from the present Bill than it had done from the Act of 1869, under which runs were appraised for five years. While the Minister for Lands expressed a very high opinion of the principle of appraisement, he gave the House no idea of how he proposed to put it into operation. The runs were in the unsettled districts, a very long way off, and it was not likely the Government would go to the expense of sending out appraisers to appraise each separate run. It was more likely that they would fix the minimum rent which the Bill provided. He did not believe the principle of appraisement would work any better in the future than it had done in the past. He was glad to hear the Premier say last night that he was not particularly in favour of the pre-emptive right system. Now was the time when that right could be easily abolished. He (Mr. McLean) knew a little of the evils that had arisen from pastoral lessees being allowed to exercise the right of pre-emption, and if no other hon. member would move for the insertion of a clause abolishing it he would take the duty upon himself. It was introduced into the Act of 1869 with the object of inducing people to take up pastoral lands; but it had been abused to a frightful extent, and the country had been robbed out of some of its very best lands in consequence, while no remuneration had resulted therefrom to the State. His chief objection to the Bill—and the same remark applied to the Bill passed yesterday—was the enormous power which it conferred upon the Minister for Lands, and he should try to get the clause referring to that negatived. According to the Minister for Lands, the principle of appraisement was all that

was needed to bring about a fair arrangement between the pastoral tenant and the Crown; and at the same time the Minister gave to himself, or to any future Minister, a power which he certainly ought not to be intrusted with—namely, the power of "putting on the screw" whenever he liked. Supposing a runholder was a political opponent of any Minister for Lands for the time being—whoever he might be—when the appraiser sent in his report it was in the power of the Minister to run him or drive him off his run by simply "putting on the screw." He intended to try to prevent that arbitrary power being granted to the Minister. According to the clause, the Minister for Lands might either increase or reduce the appraisement, and the temptation to reduce it in case of a friend or to increase it in the case of a political opponent was not a matter to be lightly passed over. The leasing of land in the unsettled districts was a very large question to deal with, and he did not think the present an opportune time for the introduction of a Bill of the kind now before them on behalf of people who, either from carelessness or wilful neglect, had refused to avail themselves of the provisions of the Act of 1869. There was no pressing necessity for the Bill, and he did not think the revenue to be derived under it would be greater than that derived from the Act at present in operation.

Mr. DICKSON said he looked upon the Bill as one of the most important that the Government had brought before them during the present session, and was surprised that it did not seem likely to receive that amount of consideration and discussion which the magnitude of the question demanded. The Bill was introduced at a late hour last night, and the Minister for Lands, in the course of his speech, led the House to believe that the Bill was one of comparative unimportance. He (Mr. Dickson) did not regard the matter in that light, and the more he looked into it the more he saw it was one that ought to be attentively considered. He was at first under the impression that the Bill referred to leases of runs which had not been dealt with under the Pastoral Leases Act of 1869; but on looking at the preamble he observed that it dealt with certain renewed leases of runs held under the provisions of that Act. By that Act there were two ways in which pastoral leases were dealt with. The first was under the 5th clause, whereby holders of runs under the Orders in Council of 9th March, 1847, the Unoccupied Crown Lands Act of 1860, the Tenders for Crown Lands Act of 1860, or the Pastoral Leases Act of 1863, had the privilege of surrendering their leases and obtaining new leases for twenty-one years from the 1st July, 1869, provided that such application was made before the 1st January, 1871. He also noticed that under the 40th section of the Pastoral Leases Act of 1869 lessees who did not choose to comply with the conditions of the 5th clause could obtain a renewed lease from the Government, on the expiration of any existing lease, for fourteen years, excepting such portion of the land as should not be required to be resumed for sale or otherwise, lawfully drawn from merely pastoral occupation. He understood the Minister for Lands to intimate that the Bill was intended to deal solely with those pastoral tenants who had not come under the operation of that Act, but presumed the Bill now before them dealt with those tenants who originally held under the Orders in Council and the Acts he had cited, who had obtained a renewal of their leases for fourteen years under section 40, and that those tenants were now coming forward and asking for a third tenure of their leases. That phase of the question was not pointed out last night by the Minister for Lands. He should be glad to learn if it was intended to apply solely to those pastoral lessees who had obtained a second tenure under the 40th clause of the Act. If so, he would ask, why should those pastoral lessees who had obtained their second tenure under the 5th clause of the Act—a tenure restricted to twenty-one years, expiring in 1890—be placed at a disadvantage as against those who took advantage of the 40th clause? It was now proposed to give the latter an extended term of fifteen years, making in all twenty-nine years, as against twenty-one years given to those who availed themselves of the 5th clause. He did not wish it to be understood that he intended to oppose anything like a reasonable extension of leases; at the same time, he thought it desirable that if they were called upon to give a continuation of lease to one class of pastoral tenants, they ought to give it to the others. It was generally admitted that the revenue the State derived from its Crown lands held under pastoral occupation was quite inadequate to their present value. Every year confirmed the certainty that as time ran on, with their increasing expenditure on public works, they must necessarily increase their indebtedness; and it was not at all too much to contemplate the possibility of deriving a very much larger revenue from their Crown lands than they were now receiving. He thought they ought to obtain from the pastoral tenants a sufficient *quid pro quo* for the value of the extensive holdings they had. He was convinced that the pastoral tenants themselves recognised their ability to provide a much larger revenue for the State than they were now paying, which was something like two-thirds of a half-penny, or a little over one-fourth of a penny, per acre. That might be very fairly increased without in any way distressing the pastoral tenants or unfairly charging upon them the value or their holdings. He thought that on a subject like that the fullest information should be afforded the House. He observed that the Minister for Lands had produced a paper showing the number and value of the leases which would fall in from time to time during the next few years; but he thought that that information should have been largely supplemented by stating the areas of the respective runs. A question of that sort was deserving of the fullest attention from the House. He contended that the Bill before them was one of the most important that could be submitted, and that before it passed its second reading it should receive the fullest criticism. A measure of such magnitude ought to have been referred to in the Treasurer's Financial Statement, and the hon. gentleman should have afforded them some information as to the results, from a financial point of view, of the renewal of leases. There seemed to be a considerable amount of sentiment evoked whenever the question of the pastoral leases was discussed. He had previously announced his opinion that when leases terminated by effluxion of time the contract entered into by the State had been fulfilled, and that it was then the duty of the State not to make another contract without providing for an increase of revenue. But in that Bill there was nothing to show that the Government contemplated deriving any considerable increase of revenue from the lessees, and therefore, in his opinion, it was faulty. If they gave increased facilities to those people who were now asking Parliament to legislate specially for their interests, they had a right to expect a corresponding return in the interests of the State; but the Bill did not give the slightest sign that any such return would be obtained from the lessees. His contention was that, seeing that the Bill was simply and solely for the benefit of the pastoral tenants who had neglected to come under the 5th clause

of the Act of 1869, and who were now asking for special legislation to create a third term for their leases, that the term, at any rate, should be a short one, so that they should not be placed in a better position than the original Crown lessees who voluntarily accepted the provisions of the Act of 1869. He was glad to hear the Premier on the previous evening say that he did not consider the tenants under the Bill were entitled to the pre-emptive rights which they had enjoyed under previous Acts. That, to his (Mr. Dickson's) mind, went a long way to remove the defects of the Bill, which otherwise perpetuated the rights of the lessees. He hoped when the Bill was in committee that that matter would be clearly set at rest; and also that it would be distinctly provided that those lessees, if they obtained an extension of the term, should only have it up to the end of the term enjoyed by those who came under the operation of the 5th clause of the Act of 1869, so that they would not gain any superior advantages by the change in the law. In legislating for the pastoral tenants he thought it ought to be remembered that a large amount of the indebtedness of the colony had been created by improving the access to their runs into the interior; and whatever might be the system of railway construction in the future, there was no doubt that to a large extent the increased railway facilities would be principally for their benefit. They were, therefore, now in a far better condition to pay an increased rent than they were in 1869, and he believed the tenants themselves fully recognised the fact. Under those circumstances he did not think it would be a breach of faith to the pastoral tenants if they were asked to contribute a larger revenue; and he trusted that, in committee, such a view would receive the attention of hon. members.

Mr. BROOKES said that as a city member he considered that when the Bill came to be read and understood by the town populations it would create great surprise. Such an important measure certainly ought to have been presented in a different way. He noticed that there was a very remarkable silence with regard to it on the part of the hon. members on the ministerial side of the House. The Premier did not like to admit that he had called himself the head of a squatting Government; but undoubtedly that Bill was the best proof that could possibly be brought before them—whether the Premier was the head or not—that it was a squatting Government. Some hon. members on the Opposition side had spoken in an apologetic tone about the Bill because they did not want to harass the squatters; but he did not think there was any necessity to make an apology of that kind. He did not think they were called upon to harass any class, but he should not be deterred from expressing his opinion of the pastoral lessees. He certainly thought the Bill had been brought forward at a very peculiar time. That House had nearly run out its time, and he regarded the Bill as a distinct bribe to the squatting members—he did not mean the hon. members of that House—a distinct sop given to the pastoral lessees. As had been remarked, the time was very well chosen. Enormous sums of money had been given the last year or two for properties which, in 1869, almost ruined the lessees; yet, forsooth, the Government chose the present time to place them in a more favourable position! It could not be, and in fact never had been, contended that the lessees paid sufficient rent for their runs; they had those runs at a rent which was perfectly absurd. When they looked at the strain which the finances of the colony would have to submit to shortly—when they looked at the railway policy, and when they saw that everyone, whether engaged in pastoral pursuits or in trade or manufactures, would be called upon to contribute a larger share of revenue, owing to the increased taxation necessitated by the construction of railways for the pastoral lessees—he thought that, instead of a Bill of that kind being brought before the House, a really good Government would have invited them to reconsider the whole question of the rent the pastoral lessees paid. There would have been some common sense in that, and the taxpayers of the colony would thereby have been treated in a fair way. He found that a certain number of persons did not avail themselves in 1869 of certain advantages which were offered to them. He did not know why the people in question did not avail themselves of those privileges, but he was quite sure that it was quite irregular legislation to bring in a Bill now to compensate them for what they had not done in 1869; whilst, further, all who had availed themselves of the Act of 1869 would be placed in an inferior position. That inequality would, however, be very soon rectified, because the people concerned would very soon bring their claims before the House, and hon. members would then have another Bill to deal with to place them in their turn on the same level again. He could only wonder that the Government should have brought such a Bill as the present one before the House at all. On the broad question of how the funds were to be provided for their debt, and for carrying on the business of the colony, the Bill should have been shut out. It was not a question whether a more just value could be obtained for the lands of the colony than was now being obtained for them, for he presumed that no one would say that they were not being held too cheap; and yet the Government were, at such a time, seeking to increase the expenses of the colony by reducing that which was already too little before. They found, also, in the Bill the same wish to condense the administrative power as they had found in other measures. A good deal had been said about the question of appraisement, which had not answered in the past, the valuators having been influenced by the hospitality of those whose runs they were sent to value. Valuators would still be liable to the same influences, and would be still up to the same practices as they were up to before. What he wanted to know was why, when leases ran out, they should not be submitted to auction? That was the way in which the best value would be got for them. It was singular how such a large number of the inhabitants of the colony should be overlooked, and nobody be regarded but the pastoral lessee. They were not everybody, and yet they seemed to have a predominant influence over the affairs of the colony. Why should they go on inviting people to come to Queensland, as they had been doing, when they were strengthening those in the colony who were already too strong? It was singular that whatever the appraisement might be, it was in the power of the Minister for Lands to alter it. In his humble opinion that reduced the matter to a very small compass. The Minister for Lands had it in his power not only to punish opponents, as had been hinted at by one of the speakers in the debate—he had not only that power, but he had far more—he could certainly secure supporters. He did not think that the Government of the day should be capable of being characterised as a pastoral Government or any other special Government. A Government having the reins of office and all the powers that those reins gave them should consider all classes of the community alike. Nothing was more palpable than that a Bill of the kind before them was a direct inducement for the pastoral lessees to support the

influence of the present Government. The Bill was not only a very great injury to all other classes of the community, but they were giving a benefit to the persons who were least entitled to it, and which it was contrary to the laws of all business communities to give them. He really thought that the Bill was one that needed only to be known to the public to create a very strong and deep public opinion; that from the Government the public, as a public, had extremely little to expect there was no doubt. He dreaded the power being placed in the hands of any Minister for Lands that was proposed to be given to him by the Bill. The Minister for Lands, by that Bill and the other Bill which had been before the House—for they were really one—would have placed in his hands more power than was compatible with the welfare of the colony, or than was compatible with the action of Parliament. He had not intended to have spoken on the Bill. He was as well aware as any hon. member of the intricacies of the land system of the colony, although he did not know so much about the land laws as some of them did. The Bill went to strengthen the monopoly which was already too strong, and which worked in a direction that was not for the welfare of the colony. Yet, while he said that, let no pastoral lessee run away with the idea that he was prejudiced against him. He was prejudiced against none of them either in or out of the House. He knew as well as anyone could tell him that there were areas of land in the colony that could be profitably occupied only by pastoral occupants. What he did ask, however, was that their claims should be taken always in conjunction with the present circumstances of the colony. He did not think there was any necessity for the Bill. He did not think that those most concerned had asked for it, but that it was a distinct movement on the part of the Government to show them how favourably the Government were inclined towards them. In reference, however, to the increasing debt of the colony, and to the fact that railways were running into places where only pastoral lessees lived, and when they knew that those railways as fast as they were made were adding very materially to the value of the runs they went through or near, it seemed to him that the present was a very illchosen time to remove burdens from those who did not now bear as many as they ought to do.

Mr. ALAND said that he wished to say a few words on the subject now before the House, although he did not very often trouble them with any remarks. He quite sympathised with the hon. Minister for Lands in the statement he made on the previous evening, that he would not very much care to exercise the power which was proposed to be given him under the Bill. But notwithstanding all that had been said on the subject of appraisement, if appraisement was to become law there must be some vetoing power, and he could not see in whose hands that power could be placed but in those of the Minister of the day; and he thought it very possible that the Minister of the day, whoever he might be, would not lay himself open to the charges which the present Minister seemed to think might be brought against him. He believed that Ministers of the Crown, though they might have their weaknesses, would certainly conduct the affairs of their offices with honesty to themselves and to the country generally. He was pleased to hear the Premier say on the previous evening that he himself was not in favour of the pre-emptive right. He belived the hon. gentleman said so, but if he did not he would no doubt correct him.

The PREMIER said that he had not made such a statement as that attributed to him by the hon. gentleman. What he said was that it seemed that the pre-emptive right was granted to the lessees under the Bill now under consideration, and that he had no opinion himself in favour of that, but that he had a very strong opinion as regarded the right of pre-emption under the Act now in force, which right he had no desire to restrict in any way.

Mr. ALAND said that that was almost the same thing, and all he could say was that he should be very glad if under the Bill that pre-emptive right was to be abolished. He had lived for a great number of years on the Darling Downs, and he did not know of any subject which had caused more heartburnings and which had occasioned more ill-feeling than the manner in which the pre-emptive rights had been availed of under the Orders in Council. Hon. members knew that the water frontages—the best parts of the runs—or, in other words, the very eyes of the land—were picked out by the pastoral lessees, and what was left was scarcely worth having. A great deal of that land was, he supposed, useless, and of course would remain so for ever. He was opposed to the appraisement scheme—opposed to it simply on the ground that he feared that they would have the appraisements carried out unsatisfactorily and unfairly. He could not see why there was no alternative between it and the auction system. He might say that he was not very much in favour of the auction system. He believed that under it blackmail had been levied and that it would be levied again. Besides, he did not hold altogether with the idea that the auction room was the best place to get at the value of a run. If those runs could be let by tender—and he confessed he felt somewhat inexperienced in the matter—still if they could be let by tender he thought it would be the fairest plan, and he certainly thought the country would get a better value than otherwise. He thought there could not be two opinions on the subject, at all events on his side of the House. Those runs had lately had advantages secured to them which they did not possess before, and they did not pay anything more to the revenue; and, perchance, under the Bill they would not have to pay anything more. Taxation was pressing heavily on the people of the country at the present time, and he thought it was pressing unequally. Those who lived in the large centres of population had really to pay more than a fair share of the taxes, and therefore they should get from the leaseholders of the Crown a larger revenue than was now received.

Mr. RUTLEDGE said he rose not for the purpose of making any comments on the Bill itself, because much of what he said on the Pastoral Leases Bill the previous night was applicable to the one under discussion. He rose more particularly for the purpose of pointing out that the head of the Government had been slightly in error in his reference to what he called the Commutation Act of 1864. His hon. friend the member for North Brisbane had said that by the proposition in the Bill to fix a minimum rent of £1 per square mile the pastoral tenants would actually be paying less for their runs than they had done in the past. The hon. the Premier, in combating the observations of his hon. friend, made use of the following remarks:—

> "He had not had time to refer to the Act since the hon. gentleman spoke, but he knew it was a Commutation Act by which the rent was fixed at £1 per square mile. That was the price the lessees had been paying, and that would be changed to some amount not less than £1; so that it was quite possible for them to get a reduction of the rent."

Now, by section 24 of the Pastoral Leases Act of 1863 he (Mr. Rutledge) found that the amount chargeable as rent during the second period of

five years was to be fixed at any sum not less than £30 nor more than £70 per block of twenty-five square miles; and under the Act of 1864, during the third period of five years, it was at the rate of £35 per block. That was precisely what his hon. friend had pointed out. The Premier stated that the Act of 1863 had been repealed by the Act of 1864, and that lessees had been permitted under the latter Act to have lands at a less rent than that. The hon. member was in error in saying it had been repealed: there was a partial repeal of the 24th and 25th sections. He (Mr. Rutledge) was about to read the 2nd and 3rd sections of the Act of 1864, which took the place of those repealed:—

"2. In order to provide a fund to meet the cost of appraisement of rent of runs held under the provisions of the Unoccupied Crown Lands Occupation Act of 1860, or the Tenders for Crown Lands Act of 1860, or the Pastoral Leases Act of 1863, the lessee of every such run shall pay into the Treasury at Brisbane the sum of £5 for each block of twenty-five square miles, and a further sum of 4s. for every additional square mile of available area in excess thereof, and such payment shall be made not less than three months prior to the expiration of the fourth and ninth years respectively of the term of the lease of such run."

"3. In default of payment being made as provided by the preceding clause, then the rent to be paid for such run from the fifth to the ninth years of the lease thereof inclusively shall be at the fixed rate of twenty-seven pounds ten shillings for each block of twenty-five square miles, together with a further sum of one pound two shillings for each square mile of available area in excess thereof; and for the remaining five years of the lease thereof, being from the tenth to the fourteenth years inclusively, the rent shall be at the rate of thirty-five pounds for each block of twenty-five square miles, together with a further sum of one pound fifteen shillings for each square mile of available area above that quantity. Provided that where a lessee shall have failed to make the payment during the fourth year of his lease towards the expense of assessing his run for the succeeding five years as hereinbefore provided, he shall not thereby be debarred from claiming to be assessed for the period from the tenth to the fourteenth years of his lease upon making the payment required by and within the time mentioned in the second section of this Act."

It was found in those sections that what the Premier called the Commutation Act of 1864 did not in the least degree reduce the minimum fixed by the Act of 1863 during the third period of the term of lease. By the latter, the amount paid should not be less than £30 nor more than £70, and, under the Act of 1864, not less than £35 per block; so that the Act of 1864, so far from decreasing the amount of rent, actually fixed the minimum higher than before. Of course, it was known that the highest rent fixed by the Act of 1863 was £70, but when a minimum was fixed it was usual to adhere to that. In 1864 that minimum was raised: the Premier spoke in error when he said it was reduced. He (Mr. Rutledge) had thought it his duty to the hon. member for North Brisbane to draw attention to that matter, and to show that the policy of preceding Acts was not in the direction of the Bill under discussion.

Mr. MILES said he thought the House might have expected a little more information than the Minister for Lands had given them on the object of the Bill; and the hon. gentleman should have given some reason why all runs had not been brought under the Pastoral Leases Act of 1869. By that Act, he believed, it was proposed that a lessee was entitled to get a renewal of lease for twenty-one years. Under the appraisements the greater portion of the runs at that time were liable to an increase of rent. Whether it was from that cause or from ignorance or carelessness, many lessees did not take advantage of the Act, and now it was proposed that the House should give those men a better tenure and less rent than was got under the Act of 1869. There were seventy-two runs in the North Kennedy, the South Kennedy, Maranoa, Mitchell, and Warrego districts the leases of which would not expire until 1890; yet the Bill proposed that they should get an additional tenure of twenty-one years. He maintained that the House should not extend those leases beyond 1890, so that all runs might fall in in accordance with the Act of 1869. He would propose to give the lessees a renewal of their leases for ten years. He thought one of the great causes of the Act of 1867 not working as it should have done was the short tenure under it, which was very objectionable. He thought ten years would be much better, because it was longer. There would always be the right of resumption for selection. He did not suppose there would be any objection to the second reading of the Bill; because those runs must be utilised. The only object he had in view was that the State should receive a revenue something like proportionate to the value of the runs. As for the prices that had been given for runs recently in the Western country, it was not the stock that had brought the enormous prices, but the grass lands. Runs bringing, say, £250,000 had perhaps 100,000 sheep. That was a price of from 25s. to 30s. a head for the sheep, with the run given in. The additional price was for the value of the grass lands. Then, why should not lessees give something in proportion to the value of the lands? At present it was a most miserable, paltry amount that the whole of the leased Crown lands returned to the Treasury; it was something like £106,000. The country should have a million of money from those Crown lands if it received anything like a fair proportion in return for the advantages obtained by lessees. He should object altogether to extending the tenure beyond 1890; and there were some runs in the list whose leases did not expire till after that time. It would be better to arrange that all the leases should come in at the same time so that they might make a fresh start, and at the same time make the pastoral lessee pay something in fair proportion to the advantages he derived from the land he held.

Mr. FEEZ said he found himself placed in a rather peculiar position, as most of those gentlemen by whom he was surrounded were pastoral lessees, and the few who were not were so closely connected, as squatting agents and otherwise, as to give them their fullest support. He fully endorsed the statement that it was necessary, in the interests of the country, to extend the terms of the pastoral leases, as such an extension would cause a large expenditure of capital in the colony. They knew that properties which were a few years ago considered valueless, and were looked upon as mere wastes, had lately changed hands at enormous prices. They also knew that the men who had possessed themselves of those stations in the interior had accumulated fortunes. There were rich squatters in Queensland; but the greater portion of the gentlemen who had acquired those valuable properties in the interior were capitalists from the southern colonies. He was directly interested in the well-being of the squatters, and he had spoken to many of those gentlemen who had possessed themselves of those properties to which he had alluded, and they had told him plainly that they paid a high price because they knew there was a larger profit to be made in such investments than in any other occupation in the colony; and they said, further, that if their leases were extended they would have no objection to paying an increased rent. The Bill failed in one particular—it took no account of the enormously increased value of pastoral properties or of the increased taxation which should fall on those who had possessed themselves of those properties. They were in duty bound to consider the colony as a whole, and not allow such valuable properties to be taxed at a rate which must throw a heavier burden on those who possessed other pro-

perties. It was proposed to extend the leases to fourteen years, but it was wrong that the minimum price should be £1. That fact should never have been mentioned, but should have been left to the appraisers. He took the view expressed by the hon. member for Darling Downs—they should notice the difference between the price of sheep without the property and the price of sheep together with the property. He believed in one case they were not worth more than 10s. a head, but when they were sold with the station they fetched as much as 25s. a head. If the present Government, by extending the leases, intended to regulate the land in such a manner as would be satisfactory to the whole country, it would be to their honour; and, if the Bill passed, he trusted the Government would maintain their character for governing the colony justly and fairly by putting such taxation on the holders of those rich lands in the West as would give satisfaction to the community at large. The Bill did not state that the right of pre-emption should be removed. The Act of 1869 gave the lessee the right of pre-emption to the extent of four miles in twenty-five miles; and that right had not been contradicted or withdrawn in the Bill before the House; he therefore took it for granted that it was maintained. He did not object to the holders of those properties having pre-emptives, because they would have to pay 10s. per acre; and even on the best country in the interior it took 2½ or 3 acres to feed a sheep, so that the pre-emption allowed was not so very outrageous. But if there was pre-emption there should be some control exerted. The way the land had been selected under that right had been a great misfortune to setlement in the interior. The eyes had been picked out of the country, and the lessees had possessed themselves of all the water-holes. That was a thing that ought not to be allowed. It was a mistaken notion that the extension of railways into the interior had benefited the squatters very much, because carriage at the present moment was nearly double what it was a few years ago; but before long that would naturally be corrected and railway freights put on a satisfactory footing, which must extend great benefit to the outlying lessees, for which benefit they ought to bear a share of taxation. He wished to draw attention to the list of the runs the leases of which were proposed to be renewed. According to that list, if they only charged £1 per mile—which the Premier, however, stated he was willing to leave out of the Bill—they would receive less than at present. The list showed that on 14,103 square miles the sum of £16,214 12s. 10d. was paid, and he hoped that under the next assessment the amount would be doubled. The pastoral lessees were able and willing to pay the increase so long as they got a long lease. He should not oppose the second reading of the Bill, but he hoped amendments would be made in committee which would enable the Government to pass a measure, like other measures they had passed, for the good of the whole colony.

Mr. FERGUSON said he did not intend to say much about the Bill or about the land laws of the colony; but he thought the time had arrived when the State should receive something like fair value for the pastoral lands of the colony. He could not see why the minimum price for land in the unsettled districts should be less than in the settled districts. It was a well-known fact that the western lands of the interior were by far the most valuable pastoral properties in the colony, and the present was the time to see that a fair price was received for those lands. The large amount of speculation which had lately taken place, and the high prices received merely for the good-will of the lands—not the stock—proved that the colony was not receiving fair value at the present time for those pastoral lands. The people of the colony were now taxed heavily; and if the pastoral tenants of the colony paid their fair share—he only wished that they should pay a fair rental—taxation could be reduced to a great extent. The people of the colony should be equally taxed all round. He considered that £2 per mile should be the minimum for those western lands, and if people were not prepared to give that price the Government could cut up the runs and put them up in smaller blocks, and he would guarantee they would all be taken up. If that were done, instead of having one family on thousands of square miles, there would be ten or twelve, or twenty families on that area. At the present time not a quarter of the country was utilised, but was allowed to be occupied at a mere nominal rental, which was nothing like the value of the land. He should not oppose the second reading; but he hoped in committee hon. members would see that the colony received fair value for its pastoral lands.

Mr. KELLETT said that several hon. members who had spoken on the Bill laboured under a great delusion in giving instances of the large amounts paid lately for runs in the colony. He could tell them that there had been no price given for any of the runs included in the list before hon. members; the runs which had been bought at high prices were in different districts altogether. He could say from his own knowledge that the lessees of many of the runs in the list were paying a great deal more than the runs were worth instead of less, and those runs of which instances had been given were in the Mitchell and Gregory districts; none of them were in the Leichhardt, Maranoa, or Burnett districts. It was supposed that in those districts the lessees would have a renewal of their leases under the same terms as under the Act of 1869, and a great number had kept on from year to year, though it would have been better to have thrown up their leases years ago. At times men had refused to pay the rent, and had thrown up their leases, which had been put up at auction and run up to exorbitant prices. He knew of a case where the lease of a run on which was an owner's head-station and improvements was run up to £10 per mile; and he knew other cases where the land had been run up to £7 a mile. He thought the Bill a very fair one, though he quite agreed that if they were dealing with the runs in the Mitchell and Gregory districts it would be a great mistake to reduce the rent in any way, because they were able to pay a much higher rent. He considered the Act of 1869, when it passed, was the best Act passed in the colony; and if it had not been passed then the colony would have been ten years behind what it was now. That Act was passed in a time of great difficulties when the runs in the West were in the hands of institutions who could not get people to take them off their hands at any price. He had known runs, which had since turned out to be valuable, to be offered in vain by those institutions at a price much less than the amount of money they had lent on them. But the small rent put on those outside runs by the Act of 1869 had induced men to go out there—in many cases young men went out at the risk of losing their lives—and speculate in those lands, and thus the institutions were able to get rid of them. But for the small rent and the facilities afforded by the Act of 1869 the greater number of those runs would have been at the present time unstocked. There were some parts of the Bill to which he objected—as there were in most other Bills—and one was the clause about the Minister for Lands. He did not like the Minister for Lands' clause at

all—he did not see why he should confirm after the appraiser had fixed the value. First, there was an appeal to three appraisers; but in the middle there was the Minister for Lands, and he considered a person would have a poor chance of having a fair rent fixed. He should support the second reading of the Bill, but he hoped the clause to which he had referred would be struck out.

Question put and passed, and the committal of the Bill made an Order of the Day for Monday next.

TRAMWAYS BILL—RESUMPTION OF COMMITTEE.

On the Order of the Day being read, the House went into Committee for the further consideration of this Bill.

On clause 9—"Borrowing power of company"—

Mr. McLEAN said that on the last occasion when the Bill was in committee he was reported to have asked the Minister for Works to withdraw the Bill. He did not remember having said anything of that kind; however, since that time he had come to the conclusion that the best plan would be for the Minister for Works to withdraw the Bill. At the present time there were two Bills under the consideration of the Legislature in South Australia, dealing with the construction of tramways. In the Bill now before the Legislative Assembly of South Australia, the routes of the proposed tramways, the crossings, and every detail in connection with them were to be distinctly specified. By that means the people had, to a very large extent, a certain protection which was not provided in the Bill before the House. Since he had become aware of the action of the South Australian Parliament he saw a still greater necessity for the Government withdrawing the Bill, or including in it some such provision as he had proposed when the Bill was last in committee—to the effect that there should be some protection to the public by allowing Parliament to have some control over the construction of tramways. The plan he had suggested was that before a company could construct a tramway the plans, sections, and books of reference should be laid upon the table of the House for the approval of Parliament. It was very evident, from the action of the Assembly, that the people of South Australia were determined to keep the construction of tramways in their own hands, and not allow indiscriminate companies to construct lines, as they would be able to do in this colony if the Bill before the House became law. Another thing he noticed in connection with the South Australian Bill was that it made no mention of borrowing powers. It simply stated the mode of construction, the line of route, and other details of the proposed tramways; but it contained nothing at all with reference to the borrowing powers of the company. He thought that if the Government would reconsider the Bill they would see that it was only right that Parliament should have some control over the construction of tramways. They held a certain control over the construction of railways, and he held this to be a more important principle than that involved in railway construction, because the tramways would run through centres of population without any fences or other protection, whereas railways ran through the country districts and were in most cases securely fenced off. As tramways would run through towns, he held that the people should have certain powers over the companies who might construct them. He hoped the Minister for Works would see the fairness of his suggestion that Parliament should have some control over the construction of tramways. He did not think it necessary that a separate Bill should be passed for the construction of each tramway proposed; but before any tramway was constructed it should receive the sanction of Parliament. The Minister for Works, in introducing the Bill, stated that it was the practice in the Imperial Parliament to pass all the Tramway Bills in a bunch at the end of the session; but the hon. gentleman forgot to tell them that all those Bills had previously been before select committees of the House of Commons. That was a great precaution, and after they had been before the select committees, and had been approved of by them, it was easy to understand that they were allowed to pass in a bunch. They knew, from the crowded state of business in the House of Commons, that unless some such plan as that were adopted there would be no means for the companies to get their Bills through at all. The case of private companies constructing tramways was very different to that of municipal councils and divisional boards, because the ratepayers had a certain control over those corporations; but there was no power of control over the private companies, and therefore he held that it was necessary Parliament should have such control. He did not go so far as some hon. members and say that a separate Bill should be passed for each proposed tramway, but he thought that Parliament should have a certain control over the construction of all tramways, which, without in any way hindering their construction, would be a safeguard to the people of the colony.

The MINISTER FOR WORKS (the Hon. J. M. Macrossan) said he did not think that the hon. gentleman who had just spoken had given a sufficient reason why he should withdraw the Bill; and he thought it unnecessary to be discussing the necessity for its withdrawal at every clause. The hon. gentleman simply told them that they should withdraw the Bill because the people of South Australia had adopted a different system for the construction of tramways than they proposed to adopt. But that colony had adopted a different system to that in force in New South Wales, where the Government made all the tramways; and that was no reason why the South Australian system should not be a different one. If the hon. gentleman wished that the plans and specifications should be laid before the House he should move some amendment or some new clause to that effect; but he should advance a better reason for the withdrawal of the Bill than he had done. He (Mr. Macrossan) believed the system proposed by the Bill before the House provided amply for the protection of the people of the colony, and if he did not think so he would not have proposed it. The hon. gentleman thought it was not so; but it was simply a matter of opinion, and, as he had said, the hon. gentleman should introduce an amendment affirming his opinion, and, if it passed, well and good; and the Bill would not be withdrawn if it was passed. But he hoped the hon. gentleman would not attempt to have the Bill withdrawn simply because what he desired was not in it.

Mr. McLEAN said he had no intention of obstructing the Bill; his only argument was in the interest of the community. He was quite prepared to move an amendment, but the amendment he desired to move would be nonsense after they had passed the 2nd subsection of clause 8.

The MINISTER FOR WORKS: It might be introduced in Part IV., dealing with the construction of tramways by companies.

Mr. McLEAN said he would like to have it come in after the 8th clause, which was last passed. The new clause he proposed to insert was:—

No tramways shall be constructed until the plans and books of reference shall have been approved of by both Houses of Parliament.

That was the clause he should like to insert, and he had no intention of obstructing the Bill in any way, as he believed the time had arrived when they ought to encourage the construction of tramways. He thought, however, they should have some protection for the people other than ministerial protection. He was most anxious to see tramways constructed, and he was quite prepared to give all the assistance he could in passing a Bill through the House.

At the suggestion of Mr. McLEAN, the MINISTER FOR WORKS withdrew clause 9, to admit of the proposed new clause following clause 8 being moved.

Question—That the new clause, as read, be inserted—put.

The MINISTER FOR WORKS said the hon. member for Logan, in moving his new clause, had stated that he had no intention of obstructing the Bill for the construction of tramways. He was, however, strongly of opinion that the hon. member's action in the matter would have the effect that he said he did not wish it to have. He felt quite confident that if a company, after having received the sanction of the Government to their plans, sections, and books of reference, were obliged to come down to the House and submit to all the promptings by people who expected or hoped to get more out of the company than they really were entitled to, the company would give up the idea of constructing their tramway. The proposed new clause, if carried, would also prevent any company from doing anything during the recess; and any company having authority from the Government must wait till the House also had settled the question. Hon. gentlemen must remember that there was a reason for the Imperial Parliament passing all the tramways in one Bill, and that reason was the press of business; and had they not the same reason here, and was there not an equally great press of business in proportion to the population, and probably a far greater press than in the Imperial Parliament? Those tramways would have to be taken charge of by a private member, for the Government could not be expected to do that work after having approved of the plans and sections previously. They had enough work to do already, and hon. members must recollect the difficulty they had in passing, session after session, the plans and sections of different railways. He asked hon. members how much wiser they were after passing those railways than they were before passing them? And the same remark would apply to the plans and sections of tramways. Under the Bill as it stood the whole thing would be carefully examined by a person appointed by the Government, who would protect the interests of the people as well as the Government. Another matter which the hon. member overlooked, and which would cause delay, was that the plans and sections of every railway at present passed through the House had to lie on the table of the other House a certain time before they took them into consideration, and then they were referred to a select committee to consider them; so that really the delays would be endless. Two or three people who were opposed to the making of tramways would be sufficient to prevent them being made. The same thing had happened in Great Britain, and that was the reason for appointing select committees. If they were to have that sort of thing, and people were allowed through their representatives to interpose all kinds of objections, he was certain they would never get tramways. He thought the hon. member had taken the best means to prevent the making of tramways, and he was also as certain that he was taking no better means than that already provided to protect the interests of the colony.

Mr. McLEAN said he could only meet the hon. gentleman's argument by asking him to look at the business-paper before the House. There he would find that plans had been laid on the table of the wharf branch extension at Maryborough. What was the difference between that and the plans of a tramway, and why was it necessary that the Government should ask the approval of Parliament to the plans and books of reference of a branch line of railway from the town of Maryborough to the wharf? They found also two other sets of plans and books of reference on the paper having reference to the branch lines from Mackay to Eton, and Mackay to Hamilton. Those lines were nothing more than tramways, and no one could possibly see any difference between laying plans on the table for them and for tramways. With reference to private members having to bring in those tramways on account of press of Government business, it was well known that the time allotted to private members in Great Britain was very limited in comparison with the time allotted here, which was a day and a-half in the week. In the Imperial Parliament hon. members had to draw from a bag for their turns, and might not for a whole session have a chance of bringing forward their business. It was well known that every member here could get his business pushed forward if the House sat long enough. That, therefore, could not be an argument against his proposition if it was found necessary for private members to introduce the plans and books of reference. The Government in the construction of a railway were consulting the interests of the community, but a company would consult their own interests as well as the interests of the public. The primary object of any company would be the recognition of their own interests, in the first place, and the interests of the community afterwards. No company would think of constructing a tramway simply to accommodate the community, but in order to profit by it; and they would take care that they did profit by it. There were various other reasons why such a provision as he suggested should be incorporated in the Bill, and if the House accepted it it would not in the slightest degree prevent the construction of tramways all over the colony. He hoped he would have the support of the House in trying to get his suggestion incorporated in the Bill. It was not a personal matter, as he was not likely to have any interest in any tramways; but it was simply a question of the interests of the public being protected.

The MINISTER FOR WORKS said the hon. member asked what difference there was between the passing of tramways and the passing of railways through the House. The difference was that the Government were compelled by Act of Parliament to lay plans on the table of the House in the case of railways. He did not know any other difference himself, and if he was not compelled by Act of Parliament to lay plans on the table he would not do so. In the case to which the hon. member referred—namely, the wharf branch extension, Maryborough — the consent of all the proprietors along that branch line, except one, had already been obtained, and that one was holding out for his own selfish interests. He (the Minister for Works) put that plan on the table to obtain parliamentary sanction, but if that man had interest enough with the members of his district he could block the line altogether. Hon. members knew perfectly well that in committee a member might speak as often as he chose, and could very easily obstruct the construction of a railway. Was the hon. member's confidence in the Gov-

ernment of the day and their engineers not strong enough to trust them in the construction of a tramway? If the clause was passed, the last clause, No. 8, would be absurd. At the present time the Government had the power of opening and closing roads if they thought fit; and was not that power equally as important as the power proposed to be given to them of making tramways? The Government was empowered by Act of Parliament to inform themselves sufficiently upon the matter and then determine whether a road was properly closed or not. He did not see anything at all in the hon. member's new clause, and hoped that the Committee would not pass it, as it would be an absurdity in the face of the clause they had just passed, and would give no more protection to the people.

Mr. GRIFFITH said he wondered how it was that in Great Britain and New South Wales, and in most other places where tramways were made, they were not allowed to be made without the sanction of Parliament. Yet the Minister for Works said that if they required the sanction of Parliament here they would never be made. He could see a great many differences between tramways and railways. When once a tramway had been made the owners of it had a monopoly, and Parliament never granted a monopoly to one company without satisfying itself that that monopoly would not be injurious to the public, as monopolies frequently were. The argument of the Minister for Works went to show that Parliament was really of no use at all; that it was really an obstruction; and that the Ministry could do so much better by themselves. But if the Minister for Works thought that Parliament was an obstruction he should pass a short Bill to enable the Government to administer the affairs of the colony for the next ten years without summoning Parliament. The hon. gentleman's objection amounted to this: that he did not like the affairs of the Government to be controlled by Parliament. He (Mr. Griffith) was sure that it was a good thing that Parliament had that power. He for one had not sufficient confidence in any Minister for Works, or other Minister or Government engineers, to induce him to consent to give them the absolute power to give a monopoly to any person or company, or give them a power which would amount to the permanent and dangerous obstruction of a road; for it might amount to that. He also knew that departments were amenable to influences —political and other—and that they might be squeezed or induced to do things that they would not like to submit to the Parliament first; because there were many things done by Ministers that, if they had to get the sanction of Parliament, would never have been done. It was a very different thing to come down and ask Parliament to sanction a thing first. If it was done, and the Parliament was asked to disapprove of it, the Government would rally their supporters round them by saying, "If we are defeated on this we will go out." It had been said that the proposed provision would be inconsistent with the rest of the Bill, but the provisions of the Bill remained as they were. Persons desiring to construct tramways had first of all to get the matter investigated and reported upon. Then they would have to get provisional authority from the Governor in Council. Just such a provisional authority was provided for under the Railway Acts, and particularly under the Railway Act of 1872, under which private companies were authorised to take preliminary steps for the construction of a railway, and the final sanction was given by Parliament. The next objection made was that it would cause too much delay, but nowhere else had it given rise to any delay. First of all the company had to be formed, capital subscribed, and plans and estimates prepared. Then they had to be submitted to the Government. Then the matter had to be advertised, and a considerable time was allowed for persons to come in and make objections. When that had been done a considerable time must elapse to enable the Government to have those things inquired into and reported upon; and when all that was done the Government might give their sanction. He ventured to say that all those things could not be done properly under the Act under six months. It was quite impossible that any company could be in a position to obtain the authority of Government to construct a tramway before next May, and it would always be the same. The Minister for Works brought forward a number of very fanciful objections to the amendment, but he (Mr. Griffith) was satisfied that it would be very much safer not to give that power to any Ministry. For instance, some Minister might think it desirable to run a tramway down Burnett lane, or a street of that size. The hon. Minister for Works might laugh, but he knew that that gentleman had done things that he (Mr. Griffith) thought quite as unreasonable in the exercise of the powers of his department. He dared say there would be plenty of Ministers who would think it very desirable to run a tramway down a lane like Burnett lane; such things had been done, but no Parliament would sanction them.

The PREMIER said he held even stronger views than those expressed by the Minister for Works, as he considered that if such an amendment as that proposed was passed the Bill should be withdrawn. The object of the Bill was to facilitate the construction of tramways, and all the reasons given by hon. members opposite were to that effect. But, having failed in the tactics that they were going to use to obstruct the Bill, they adopted another course. They could not carry the Bill altogether as they desired—namely, that every tramway should be brought specially before the House—and so they tried another plan, which was to propose that all plans and sections should be laid before the House. One was as bad as the other, because each would involve delay and prevent companies being formed. The leader of the Opposition said that by the time the companies had done all that was required of them six months would have elapsed; but he (the Premier) did not see why two months should elapse, and why a tramway should not be constructed in six months. The object of the Bill was to have the tramways constructed quickly. Supposing the Minister for Works wanted to construct a tramway down Burnett lane—he did not know where that was, but he supposed it was a narrow lane where there was no room, and a tramway would be dangerous—that would be a thing for which the Minister for Works would have very great difficulty in defending himself when the House met. The hon. gentleman said that Ministers would think very little of doing that, because they had only to make it a party question and the thing was passed over; but Ministers had a higher sense of their responsibility than that. They took care that they did not commit such a fault as that. A party could only stand such a thing as that two or three times; the present Government had not had to go to that length yet, and he did not think any Ministry would try it. With reference to the tramway down Burnett lane, if they turned to the 66th clause of the Act they would find a part of the Bill providing for that very contingency. If provided for the removal of dangerous or inconvenient tramways. The Minister for Works could remove them if they were found to be dangerous; so that, if the Government had a large amount of power in granting to companies the privilege of making

tramways, they also had a large amount of power in removing them when they were found to be dangerous or inconvenient. So that everything was provided for that had been objected to by the hon. member for North Brisbane. He could not understand the argument of the hon. member for Logan. That gentleman said that such a thing had not been done before, and asked why were they doing it now? That was the very reason why they should benefit by their past experience, for Tramway Bills had accumulated to such an extent that they had become farcical. There was nothing more dangerous than having a large number of Acts of Parliament referring to one subject Let them take, for instance, gas companies. Every gas company in the colony required a special Act for itself, and every Gas Bill that was introduced was a copy of others which had preceded it; and if any hon. member took the trouble to look carefully into one of those Bills he would not allow any more to pass that House so easily as had been the case hitherto. What had been the case with Gas Bills would be the case with Tramway Bills. The great object of the Bill was to facilitate the construction of tramways, and they had done everything to attain that object. After the ordeal had been passed of having the plans approved by the Governor in Council it would be obstruction if companies had to wait until Parliament met and gave those plans their approval. He did not think the Bill would be worth a straw if amended. It would not be worth the time it would take to consider it. There was something in what his hon. colleague had said with reference to the farce it was of passing several Tramways Acts through that House. Let them take the Maryborough and Gympie line for instance. They found they had passed two lines in the same place. He remembered that distinctly; in fact, they had passed three lines. There was not a single member of the House who discovered that they had been approving of three different lines of railway from Maryborough to Gympie, and the matter had been decided before the discovery was made; but the Speaker was able to get them out of the difficulty, being the member for Wide Bay at the time.

Mr. McLEAN said he thought the hon. the Premier had done the Opposition great injustice. He said, in the first place, that they were trying to block the Bill by providing that every tramway should have a separate Bill; and that, failing in that, they tried to block it by the insertion of the proposed amendment. There was no such intention on the part of the Opposition. He had consulted no member of the Opposition with reference to his new clause: it was an idea which struck him and he thought it was right that he should try and get it into the Bill; so that the hon. member did the Opposition great injustice in saying what he had. Individual members were entitled to have their own opinions and to try to make the Bill as good as they could. He could see perfectly well that if they had to pass a Bill for every tramway they should soon have too many Bills on the same subject. It was to prevent that that he proposed the amendment, and should it be carried it would do away with that necessity. The Premier, in replying to the instance given by the leader of the Opposition where a Minister for Works might sanction the construction of a tramway through such a place as Burnett lane, said that in the event of such a thing taking place the Minister would lay himself open to the censure of Parliament; but what would be the use of Parliament censuring the Minister after the work had been carried out and all the damage done? The proper course to adopt was to prevent the necessity of having to censure the Minister. He held that although the Minister would have the carrying out of the work, Parliament was the proper authority to take the responsibility in connection with that particular matter.

The MINISTER FOR WORKS said the hon. member stated that he wished to protect public interests; but what specific kind of protection did he desire to introduce by the clause? Everything in the interests of the public in the construction of tramways was provided for—the gauge; the surface of the rails was not to project beyond the surface—the public were not to be inconvenienced in that way. The position of the tramway in the street—and the hon. member must remember that "street" meant "road" as well—was also defined, so that there should be sufficient room between the tramway and the kerb-stone; in fact, every precaution was taken in the Bill so far as the tramway itself was concerned. The only thing which the Bill wanted in the way of protection was to provide that people whose land was taken from them should be compensated in accordance with the provisions of the Railway Act in force for the time being, and that was easily remedied; but to accept the clause would, as the Premier had stated, be tantamount to shelving the Bill; and he thought it just as well, instead of discussing the question further, to come to a division upon it.

Mr. FRASER said he had already expressed his concurrence in the views of the hon. member for Logan, and he had not heard any reasons given which would lead him to change his opinion. The Premier said that the object of some hon. members was, step by step, to oppose the Bill; but that was not a fair statement. If the Bill became law and tramways were initiated, the constituency he (Mr. Fraser) represented would be as much benefited, provided it were a benefit, as any constituency in the colony. He was, therefore, not likely to lend himself to any course of action calculated to obstruct the progress of the Bill. He could not understand why the Government should oppose the very reasonable and constitutional clause proposed by the hon. member for Logan. Why should the House part with its legitimate authority? The Minister for Works asked whether hon. members had no confidence in the Government or their engineers. The answer was that there might be a Government and a Minister for Works and engineers in whom the public had no great confidence. If such a state of things occurred, it would not be the first time that a Minister presiding over the Public Works Department and the engineers had carried out public works in opposition to the interest and the public opinion of the community; and what had occurred once might occur again. He would also remark that the Minister for Works and his colleagues had prided themselves very much upon the steps they had taken towards promoting the course of legislation that tended to decentralisation; but he would appeal to hon. members to say whether the very essence of the Bill before the Committee was not centralisation—centralising everything in the hands of the Ministry of the day. The hon. gentleman asked what protection was wanted. A private company might be formed to construct a tramway in Brisbane and the neighbourhood. Parts of such a line might lie in three or four different municipalities, and it could very easily be conceived that differences of opinion would exist among those authorities as to the terms upon which the construction of the line should be sanctioned. In such a case would it not be very much more satisfactory to have such a question decided by the House than by a Minister or by the Government? There was a case in point at

the present time : A divisional board near Brisbane complained that the Minister for Works had arbitrarily closed a street through which the Sandgate and Brisbane Railway passed. It was not for him to say whether the Minister was right or not; but, supposing he was right, it would have been much more satisfactory to the public if the question had been decided in the House deliberately upon open evidence; and if he was wrong, then he had, by an exercise of his arbitrary power, perpetrated an injustice. And what the Minister could do in one place and at one time might be done by him on a hundred occasions. Taking all those matters into account, he could not see why the Government should object to the proposed amendment. There was nothing in it to interfere with the principle of the Bill. The strongest argument advanced against the amendment was that if admitted it would cause unnecessary delay ; but he was not aware that there was such a very pressing necessity for pushing forward the construction of those tramways as to lead the Committee to violate what was considered to be a constitutional principle—the right of the House to hold control over such important public questions. Unless there was something more than appeared on the face of the matter, he could not understand how the adoption of the amendment could lead to any very serious delay, either in Brisbane or elsewhere.

Mr. FERGUSON said he hardly knew what the hon. member for Logan meant by moving the amendment. The hon. member had stated several times that he had no intention of obstructing the Bill, but he could not take any more effectual means of obstructing the Bill than the action he had taken. Rather than see the amendment adopted he would be willing that the Bill should be thrown out altogether, because, with the amendment, it would to a great extent prevent companies from taking advantage of the provisions of the measure. If the Bill were passed inits present state tramways would be constructed before the House met next session ; but if it were encumbered with the proposed amendment delays would arise, and the effect of the Bill would be spoiled. The hon. member referred to the fact that plans and books of reference with regard to branch lines had to be sanctioned by the House, but that was because the lines were to be constructed out of public money. The tramways, on the other hand, were to be constructed out of private money, and therefore there was no necessity for the same precaution. The people also had a sufficient hold over the companies, because if it were proposed to carry a line or tramway in a direction not agreeable to the wishes of the people, the corporations or divisional boards had a right under the Bill to petition the Governor in Council on the subject. There was, therefore, sufficient check over the constructingcompany, and the corporations would have as much power over the company as they had over omnibuses and cabs.

Mr. McLEAN said the argument of the hon. member for Rockhampton had really nothing in it. It was perfectly well known from the experience of other countries that the necessity for getting a Bill passed through Parliament did not stop the construction of tramways. The hon. member said the reason why plans of railways had to be sanctioned by Parliament was because the lines were constructed out of public money ; but there was no doubt that a great number of the tramways would also be constructed out of public money. The municipal councils and divisional boards who constructed tramways would do so out of the funds obtained from the ratepayers by assessment and from the Government. To strengthen his argument he would point out that, according to the business-paper, the Minister for Works had taken certain action with regard to the closure of a road, and he proposed to consult Parliament on the subject.

The PREMIER : He is obliged to.

Mr. McLEAN said he should like to know what was the difference in the two cases. He considered that the necessity for obtaining the sanction of Parliament to railway plans and books of reference was a very wise provision in the Railway Bill. Parliament, in passing the Railway Act, did a very wise thing in inserting that provision. He was prepared to make one concession : he would make the provision applicable to private companies, and would exempt municipal councils and divisional boards. With regard to the two last-named bodies, the ratepayers had control over them. Before they could construct a tramway they had to come under the operation of the Local Public Works Loan Act, and a vote had to be taken as to whether the work should proceed or not. But he should insist that private companies should submit to Parliament their plans and books of reference. The Minister for Works had asked what was his reason for insisting on the interests of the public being guarded. The reason was that under the Bill as it stood private companies could take private land for the construction of tramways ; and every individual had a right to be protected by Parliament. It was no use closing their eyes to the fact that Ministers were but human. They did not know who might be in power in the future, or what influence might be brought to bear upon them in connection with those companies ; but they knew what had been done in other places, and human nature was much the same in Queensland as elsewhere. He had no intention to obstruct the Bill, and it was no use the Government saying that the Opposition were doing so. No one was more anxious than himself to see tramways constructed. What he insisted upon was the protection of the rights of the community ; and although he might be defeated he should rest satisfied with the conviction that he had done his duty.

The PREMIER said hon. members on the other side had made a great deal of what he had said about accusing them of obstruction. There had been, in fact, nothing of what they were in the habit of calling obstruction, nor did he intend to imply that there had been. What he did say was that the principal objection to the Bill was that it did not provide that each individual tramway should be submitted to the House for approval ; but if it did that there would be no necessity for the Bill. The second reading having been passed, the Opposition brought forward a proposition which amounted to very much the same thing—namely, that each individual company should ask the House to sanction its line. It was the second reading over again, and that was what he described as the obstruction carried on by the Opposition. The hon. member (Mr. McLean) now said he did not object to tramways constructed by municipal councils and divisional boards being allowed to pass on approval by the Governor in Council, but he would not extend the same privileges to companies. When clause 6 was passing through, the only argument against it from the other side was that companies would not be formed until they knew whether the Government were going to approve of their plans and sections or not. When that was urged as an objection, he (Mr. McIlwraith) showed them that by negotiations with the Ministry of the day they could find out, before forming the company, whether the Government were likely to approve of their plans. Now that that difficulty was got rid of, the Opposition said that Parliament should

approve of the plans in addition. Surely those contentions were contradictory! If a company would be blocked by the chance of their plans and sections being disapproved by the Governor in Council, it was much more likely to be blocked when the plans and sections had to go through the ordeal, first of the Governor in Council and afterwards of Parliament. There was a provision in the Bill which, if passed, would perfectly guard against any danger happening to private interests. All private individuals, divisional boards, and municipal councils had the right of petition, and there could be no doubt that all petitions would be attended to. He did not know of a single case in which the Government had ignored the interests, the arguments, or the petitions of anybody interested in a public work. In addition to that, the Government were directly responsible to Parliament. Then, again, by clause 66 the Governor in Council was empowered to stop a tramway after it had been one year open to public traffic if it was found in any way dangerous or inconvenient to the public. That would be in all probability two years after the plans had been sanctioned by the Government. What more could be wanted for the public safety than that? The real argument against the amendment was that it would do away with the necessity for the Bill altogether. It would cause as much uncertainty to companies as if they had to come before the House with a private Bill, and they would get back to the old thing that each individual tramway should be brought before the House.

Mr. BROOKES said he did not think hon. members of the Opposition need trouble themselves with answering charges of obstruction, because if that charge were made on every occasion they might as well go over to the other side. He was satisfied they were only doing their duty in insisting that Parliament should be the court for the approval or otherwise of plans, sections, and books of reference of every proposed tramway. He had no confidence in the Minister for Works;—he did not mean the hon. gentleman opposite; he was speaking in the abstract;—or in anybody connected with him. All Ministers required a good deal of watching. Subordinate officers could very easily be got at, and the Minister of the day, who could not know everything that was going on, would very likely act on the reports and representations of his trusted officers. He could not conceive why the Government should oppose the amendment. He was not quite sure that the Premier or the Minister for Works themselves agreed with the Bill; at all events, they admitted that it was a very crude Bill, and that it contained anomalies and difficulties. He saw that the Minister for Works had given notice of a long list of amendments, which he was sure did not originate with the hon. gentleman, but very likely came from the gentleman who drew up the Bill. Those who supported the amendment of the hon. member for Logan proposed to simplify the legal procedure with reference to tramways. They proposed that whoever wanted to make a tramway—whether it was a municipal council, a divisional board, or a private company—should be compelled to come to Parliament and obtain its approval. What they insisted upon was that Parliament should decide whether the tramway was needed or not, and also as to other matters involved in the plans and books of references. He thought it would be well that they should not be in too great a hurry in arriving at such decisions. He was confident that if the amendment was carried it would be found to work well and would prove very beneficial.

Mr. GRIMES said he intended to support the insertion of the clause moved by the hon. member for Logan, and he did so in the interests of those who had property along the route of proposed tramways. They had an instance in connection with the Railway Extension Bill passed in 1880 of what might take place in future. In that year the Minister for Works, in answer to a question put by the hon. member for Logan, said it was not the intention of the Government to make any deep cuttings along any roads. That was a promise before the Bill passed. But what had been the result? Why, that on the route of the branch from South Brisbane to Oxley, along a thoroughfare very much used, there were cuttings 15 feet deep and embankments 18 feet high on a road a chain wide. He thought the greatest injustice had been done to the public who travelled along that road, and especially to those who owned land alongside the cuttings and embankments. That was a case where the Minister had not been over careful as to the interests of landed proprietors; and as such a thing might occur again, he saw the necessity of having the plans of each tramway laid before the House. He might, perhaps, take some blame in connection with the case he alluded to because plans of the line were laid before Parliament; but the fact was that hon. members depended on the promise of the Minister for Works that there should be no deep cuttings, and did not examine the plans and specifications as carefully as they ought to have done. That was an instance in which the Minister for Works was really at fault; and if he fell into mistakes of that kind there was no reason why other hon. gentlemen who might occupy his position should not err in the same way. For those reasons he (Mr. Grimes) should support the amendment.

Mr. McLEAN said he would warn the Committee that if the Bill passed without some provision such as he had proposed, it would not be long before a Bill was brought in to meet a want of that kind. The Minister for Works had said that he knew that a number of companies or councils or divisional boards were prepared to undertake the construction of tramways at once. Perhaps the hon. gentleman would name some of them. He (Mr. McLean) recollected that not many months ago an effort was made to get a tramway in Brisbane, and the money could not be raised. A very rapid change must have taken place since then.

The PREMIER: Was it Angus Mackay?

Mr. McLEAN said it was not Mr. Mackay; he had nothing at all to do with it. But there was an attempt made, and it failed. He was quite certain that before long the people would be clamouring for parliamentary control over the construction of tramways.

Mr. BAYNES said it had been stated by the hon. member for Logan that his amendment would not affect municipalities or divisional boards. The whole tendency of the legislation of the present Parliament was towards centralisation. At the same time he should not consider he was doing his duty if he circumscribed the power of Parliament, and therefore he should vote for the amendment.

Mr. ISAMBERT said he could understand the Premier's objection to the amendment if Parliament only met once every few years, but as it met every year, he could not see where any delay in connection with tramway proposals would come in. The Bill was a new departure from the public works' policy of the colony. For the first time it was proposed that public works, hitherto carried out by the Government, should be entrusted to private companies. The experience not only of Queensland but of every Government all over the world was not very favourable to public interests coming into contact with private interests. He thought that the Minister for Works should

be only too glad to have such a safeguard against overreaching, clever individuals, such as he would have to deal with—gentlemen who, as they all knew, did not come to Queensland with a sole and disinterested desire to give the people accommodation, but rather to see how much money they could make out of the people. They could not take too much care to guard themselves against those capitalists, and he could really, therefore, see no objection to the new clause proposed by the hon. member for Logan.

Mr. BUCKLAND said that he could assure the Premier, and indeed every member of the House, that he was thoroughly in favour of the Bill and did not intend to offer any obstruction to its passage through the House. He, however, agreed with the amendment of the hon. member for Logan. Every visit he had taken to Sydney during the last three or four years had convinced him of the desirability of making tramways in Brisbane and its suburbs. The remarks made by the hon. member for Oxley (Mr. Grimes), in reference to the plans and specifications of the South Brisbane extension not receiving sufficient attention when the Bill had been passing through the House, had reminded him that, in regard to the Sandgate line also, if hon. members had looked through the plans they would have seen that there were several places where there ought to have been crossings where there were none. By the new clause, not only would the plans and specifications of railways have to be submitted to the House, but also of tramways. They would be entrusted to a Committee of the House, and after that, if recommended by the Committee, they would be passed through the House *in globo*. He should therefore vote for the amendment.

Mr. BROOKES pointed out that not only were other advantages accruing from the plans of all lines being available for members of the House of Commons, but it gave every person an opportunity to see if any of his interests were touched by them. If the amendment were not passed they would be left entirely in the hands and at the disposal of the Minister for Works and his staff, and, again, he (Mr. Brookes) said that he had no confidence in any of them. He believed that things might be done in that office quite unawares and without the knowledge of the Minister for Works, who, however, would still be obliged, when the mischief had been done, to get over it in the best way he could. He was sure that if their tramways were to be carried on properly they must adopt, either now or in the future, some such provision as that proposed by the hon. member for Logan.

Question put, and the Committee divided:—

AYES, 16.

Messrs. Griffith, Miles, McLean, Dickson, Brookes, Buckland, Isambert, Fraser, Rutledge, Francis, Aland, Baynes, Macfarlane, Grimes, Bailey, and Garrick.

NOES, 19.

Messrs. McIlwraith, Archer, Perkins, Macrossan, Low, F. A. Cooper, Pope Cooper, Jessop, Hamilton, Persse, Feez, Allan, Ferguson, Govett, H. Palmer, Sheaffe, Black, Lalor, and H. W. Palmer.

Question resolved in the negative.

Clause 9—"Borrowing powers of the company."

Mr. GRIFFITH said the clause ought certainly to be extended so as to allow of the borrowing of money for any other purposes the company might require. The company might want to buy rolling-stock or other appliances. The power of borrowing was usually regulated by common law. The real point that required to be dealt with by the Bill was to give powers to mortgage the rights of a company to run over streets. If it was intended to retain the first part of the clause, the borrowing powers of the company should be extended, not only to the making of tramways, but to maintaining them, and to the purchase of rolling-stock. The first part of the clause ought to be extended, and the second part also.

The MINISTER FOR WORKS said he did not intend altering the clause of the Bill, or indeed any of that part of the Bill. He understood that the hon. gentleman thought they should give power to the company, not only to borrow money for the building of tramways, but also for the purpose of maintenance and of buying rolling-stock or any other appliances. He did not agree with him. He had no objection to give the company power to borrow money for the purposes of buying rolling-stock merely, but for the purposes of maintaining a tramway it was not necessary to give them power to borrow money.

Mr. BROOKES said he would like the Minister for Works to explain why he would not give power to borrow for purposes of maintenance.

Mr. GRIFFITH said, if the hon. gentleman would not answer that question, he would say that the experience of every company in other parts of the world was that if their funds were not sufficient at first, and they wanted money to go on with, they should be allowed to go on. Why stop them from borrowing when £1,000 would enable them to go on? The Government should remember that it was a restricting clause. If there was any clause of the kind in the Bill the company should have power to borrow any money they liked. He confessed he did not see why the company should be thus restricted. Of course, after the last division, it was quite hopeless to propose an amendment unless the Minister for Works said he would accept it. The majority of the House at present were bound to vote with the Ministry. If the company might only borrow money for the purposes of carrying on work, be it so; but he must certainly suggest that the House should extend those borrowing powers for the purpose of purchasing rolling-stock, horses, or other appliances. He would therefore move the insertion after the word "tramway," in the 1st subsection of the clause, of the words "or purchase of rolling-stock, horses, or other appliances."

Mr. BROOKES said he thought the hon. Minister for Works would answer his question if he could; but, as he could not answer, he (Mr. Brookes) accepted his silence as showing that he knew very little about the Bill.

Question—That the words proposed to be inserted be so inserted—put and passed.

Mr. GRIFFITH said that, as he had pointed out before, the clause was a restrictive one. The powers of a company were well known in law; but, instead of allowing those powers to be exercised in the ordinary way, the Government now undertook to regulate and confine them. When they did that they would be subject to all sorts of difficulties, unless the Act was very carefully drawn up. They must define exactly the powers of a company to borrow and mortgage. He supposed it was not intended that they could not mortgage anything but the tramway, which was the line running along the street.

The PREMIER: Oh, no!

Mr. GRIFFITH: The hon. the Premier said that was not so. Then he (Mr. Griffith) must confess he did not understand the clause. He supposed it was intended that the company could mortgage their other property; this was just alluded to in the schedule. He would suggest that the second part of the clause should read

thus:—"Convey, assign, or otherwise charge the tramway or other property of the company."

Clause amended by the insertion of the words "or other property of the company" after the word "tramway," in the 20th line.

Mr. GRIFFITH said it had not occurred to him before, but it now appeared to him that in the interpretation clause a tramway should be defined to mean the whole undertaking of the company. Throughout the Bill there were provisions for the purchasing of the tramway, which was defined to mean simply a line running along a street; but the purchasing power did not extend to the whole of the undertaking. What was the use of a corporation buying a line without buying the rolling-stock? They would have to buy rolling-stock of their own if they could not purchase the whole undertaking.

Clause, as amended, put and passed.

On clause 10—

"Every mortgage made or issued under the authority of this Act shall be subject to the power of purchase reserved to the council by this Act."

Mr. GRIFFITH said he could not understand the clause at all. A mortgage gave rights to a mortgagee, but there remained the rights of the mortgagor; the rights of a mortgagee were not subject to the rights of the mortgagor. The two were distinct. Surely it was not intended that the power of purchase should override the mortgage, but that the power of purchase should be subject to the mortgage. He believed it was the intention of the Bill that if a company mortgaged a tramway the purchaser would have to pay the interest on the money borrowed, and the principal when it fell due. How could the mortgage be subject to the power of purchase?

The ATTORNEY-GENERAL said the clause meant that notwithstanding the tramway might be mortgaged the council should have power to purchase, as was provided in the Bill. Notwithstanding the fact that a mortgage was in existence, still the council would have the power to purchase the tramway. He did not know how it could be expressed otherwise without confusion. The mortgage was to be subject to the right of the council to purchase.

Mr. GRIFFITH: That means that the right to purchase will override the mortgage.

The ATTORNEY-GENERAL said it did not mean that. The right to purchase could not override the mortgage.

Mr. BROOKES said he supposed they would have to wait a reasonable time until the other side put the clause into the English language.

Mr. H. PALMER (Maryborough) said he would ask the legal gentlemen on both sides of the Committee what power with regard to property a mortgagee would have if a company, after laying down rails and a certain amount of rolling-stock, failed to carry on as they expected? They surely could not mortgage the street or right-of-way. He thought any company would have great difficulty in raising money if they had no better security to offer than the rolling-stock.

Mr. BROOKES asked if they were to understand that the Government proposed to press the clause when the best legal opinion on either side said there was no sense in it? Were they really to be asked to pass a clause that would lead to trouble afterwards? What was the use or sense in calling that legislation?

Mr. GRIFFITH said if he understood that the Government proposed to pass every clause in the part of the Bill they were now considering, whether senseless or not, he would say no more. He had noticed a great deal in that part of the Bill which was really nonsense, and intended to point it out; but if the Government were determined to pass it without any alteration he should say no more.

The PREMIER said if the hon. gentleman thought for one moment that they were to take his dictum as law and common sense too he was very much mistaken. He would tell him that they had listened all along with the greatest deference to the amendments suggested by the hon. gentleman, but when he tried to force his opinion on a matter of common sense down their throats they rebelled. He (the Premier) considered the clause was a very sensible clause and meant exactly what it said. It meant that the fact of the line being mortgaged would not prevent the council from purchasing it.

Mr. GRIFFITH said he was sorry the hon. gentleman had lost his temper.

The PREMIER: You have not had yours all night.

Mr. GRIFFITH said he had pointed out that the clause was nonsense so far as he could make out. If it meant anything at all it meant that the power of purchase was to override the mortgage. He had pointed that out, and the Attorney-General himself had admitted that the clause was infelicitously worded.

Mr. BAYNES said he took it, according to the reading of the clause, that it was intended that the power of purchase should override the power of the mortgagee, but that it should not extinguish the power of the mortgagee.

Mr. BROOKES said it appeared to him that the Government intended to press the clause although not a soul in the Committee understood it.

Mr. BAILEY said they had had a strange discussion about the clause. Hon. members on both sides of the House had confessed that they did not understand it, and the leader of the Opposition had stated that the clause was nonsense. Night after night they had seen Bills brought into the House in the roughest state, so that they might be amended by the Opposition side of the House. The leader of the Opposition had never said anything which gave greater gratification to those who supported him than when he said that evening that he would give up the attempt to make senseless Bills sensible. Throughout the session that hon. gentleman had acted as a kind of double Attorney-General. Patiently enough he had attempted to make Government Bills workable, but if his efforts were to be frustrated it was quite time the hon. gentleman left the Government to make their own Bills complete and bring them to the House complete. They were now supposed to pass a clause which no member of the House understood, and which had been pronounced by legal members to be nonsense.

The ATTORNEY-GENERAL said he sometimes wondered what the feeling of the leader of the Opposition must be when he heard some of the extraordinary speeches made by members on the other side. Night after night members of the Opposition got up and assumed that the leader of the Opposition was really the individual who put all the Bills brought into the House by the Government into form for them.

HONOURABLE MEMBERS of the Opposition: So he does!

The ATTORNEY-GENERAL said they seemed to assume in an obsequious style of flattery that that was so. Every hon. member knew that a great deal was due from members on both sides of the House to the legal acumen and diligence of the leader of the Opposition. That hon. gentleman had given a great deal of attention, and had done his best to make Bills

he did not oppose as serviceable to the country as he could. In doing that the hon. gentleman was doing merely his duty; but when members of the Opposition said he was doing double work for the Attorney-General they said what was not true. Every Bill brought in was not necessarily passed in the form in which it was introduced, and he could mention an instance in which one hon. member on the Opposition side, who was usually loudest in his adulation of his leader, had brought in a Bill, the only word in which that was not altered was the word "Whereas."

Mr. FRASER said he thought the speech of the Attorney-General came with a very bad grace. He asked what the feeling of the hon. leader of the Opposition must be when he listened to the obsequious flattery of the members of the Opposition side of the House. He (Mr. Fraser) would ask what must be the feeling of the Attorney-General when he heard the head of the Government, time after time, compliment and thank the leader of the Opposition for the services he rendered to the Government when the hon. Attorney-General sat silent?

The PREMIER said he had never thought it any discredit to himself to admit the valuable services rendered by the leader of the Opposition; and he could quite sympathise with every word of what his hon. colleague the Attorney-General had said, when he asked what the feeling of the leader of the Opposition must be when he heard some of the speeches of the babbling fools behind him. One member of the Opposition who, not once but several times, had risen to reply to a Minister, talked more foolishness than any other in the House, and repeatedly complimented the leader of the Opposition on everything he did. That hon. gentleman, however, well knew the value of those compliments, which were such, he (the Premier) was sure, as to make him ask at times, "What in the name of God have I done to deserve these congratulations from the hon. junior member for North Brisbane?" He (the Premier) was not ashamed to own having received valuable assistance from the leader of the Opposition. There was no man in the colony better qualified to put a Bill right or to frame a Bill than the hon. gentleman, and it was not the first time he had said so. He had always been glad to accept a suggestion from that hon. gentleman if he saw that his amendment was consistent with the principles of a Bill, no matter in what position it would put the Government by the way it might be looked upon outside the House. But what a mean, detestable thing it was of the members of the Opposition, seeing the way in which the Government invariably received those suggestions, and the high-minded spirit in which they were acknowledged, to turn round and say that Bills were made outside of the House and brought there only to be corrected by the hon. gentleman! The hon. gentleman not only did his duty, but more than his duty, and he (the Premier) believed he took a pride in it; and if he did not do so he would be the most miserable of men. What had put him out of temper was simply the false congratulations he had received from hon. members on his own side. If the hon. gentleman came to the conclusion, as advised by his friends, and refused to take part in any further work of the House, he did not think it would be a loss to the country. There was no man in the colony whose position could not be filled, and in the event of the absence of any member of the House the Government would get their Bills through and legislation would go on as usual. He thought the other side ought to be ashamed to pursue that persistently false adulation of the hon. member for North Brisbane—praise which could do no good and was utterly worthless, coming from the source it did. One word from the Government admitting the valuable services the hon. member had rendered was worth fifty volumes of the mean cant which had emanated from the other side.

Mr. BROOKES said he quite agreed with the Premier that the best thing that could happen for the Government was that the leader of the Opposition should retire, because it was as clear as possible, from the raw, undigested state in which the Government brought in their Bills, that they calculated beforehand on the assistance of the leader of the Opposition. He would take no notice of the extravagant language of the Premier, because when he got cooler he would be sorry for it himself. When the clause was being discussed, and the Premier cried "Question," that meant that he wished the clause to be put which nobody understood and which there was no hope of understanding. He thought under the circumstances that legislation had got to a very low level.

Mr. BAYNES said he thought the hon. member was wrong when he stated that nobody understood the clause. The hon. member said it was useless, but it was nothing of the sort. In most mortgages there was a clause that the mortgagor should not sell without the consent of the mortgagee. The council usurped that power, and said, "Notwithstanding your power we maintain we have a right to purchase." He believed that that was the intention of the Bill.

Mr. GRIFFITH said he was sorry such a discussion had taken place, because he thought it might well be spared. So long as he was in the House he would do what he conceived to be his duty, and although he could not please everybody he should act according to his own lights.

Question—That clause 10, as read, stand part of the Bill—put, and the Committee divided:—

AYES, 18.

Messrs. Archer, Pope Cooper, McIlwraith, Macrossan, Perkins, Low, Black, Lalor, H. W. Palmer, Sheaffe, Allan, Govett, Baynes, Persse, F. Cooper, Ferguson, H. Palmer, and Hamilton.

NOES, 15.

Messrs. Miles, Griffith, Dickson, McLean, Rutledge, Bailey, Aland, Brookes, Isambert, Buckland, Macfarlane, Garrick, Francis, Fraser, and Grimes.

Question, therefore, resolved in the affirmative.

Clause 11—"Form of debenture"—put and passed.

On clause 12—"Interest not to exceed 6 per cent."—

Mr. FRASER said he remembered that the hon. Minister for Works the other evening pointed out that it would not be wise for anyone entering upon an enterprise of that sort to borrow money at the high rate of 6 per cent. They had had their attention called that evening to the very questionable character of the security to be offered. Although money might be available in the colony, and it might be possible for a company to borrow at 6 per cent., they knew that, as a rule, even upon very good security, it was a difficult matter to borrow at that percentage. If they restricted a company to the rate of 6 per cent., the circumstances of the colony might be such that it would prevent them borrowing at all. They knew that as a rule 6 per cent. was considerably below the current rate of interest in the colony. He remembered the Premier saying some time ago that in the colony money ought to be worth 15 per cent. at all times. If they imposed a restriction of that kind upon a company they might as well tell them they could not embark upon the enterprise.

The PREMIER : Does the hon. member say that I said money ought to be worth 15 per cent ?

Mr. FRASER said it was certainly some time ago that the hon. gentleman said so.

The PREMIER : About thirty years ago, I should think.

The MINISTER FOR WORKS said that, as a council could borrow only at 5 per cent., it was not too much to restrict a company to 6 per cent. If a company was allowed to borrow at 6 per cent., surely that might encumber the property to such an extent that the council would not buy it.

Mr. FRASER said that in that case the Government ought to guarantee any company that might be formed a higher rate than 6 per cent.

Mr. GRIFFITH said that a tramway might be sold and the mortgagees would get the proceeds and divide them amongst themselves. He was certain that, considering 6 per cent. was about the lowest interest upon which money was lent on the very best security in the colony, those companies trying a new venture, the success of which was entirely unknown, would not be able to borrow money at 6 per cent. ; so that the clause was practically prohibitory. They could not only not borrow at more than 6 per cent., but they must not sell their debentures at a discount. They might almost as well say that no tramway company should be allowed to borrow money. He wondered whether everybody had read the form of coupon that was provided by the Act. It was nearly as long as the debenture. He had said nothing about the previous clause in passing, but it was useless, and all its provisions were really unnecessary restrictions of the operations of a company. Why could not they choose their own form of debentures? The coupon was simply absurd ; it was a copy of the whole of a long clause—clause 15. The object in drawing up a coupon was to put it in as few words as possible. Why should not they be allowed to frame their own form of coupon? A coupon was sometimes in this form—"£5 interest, payable to so-and-so, at so-and-so," with some heading to show what it belonged to. All those details would hamper the working of the company. They would be subject to the jurisdiction of the Minister for Works, and beyond that they would be most closely tied up. Why should not they be allowed to manage their own business as well as a banking company or any other company ?

The ATTORNEY-GENERAL said the remarks of the last speaker applied just as much to the whole of section 3 as to that particular clause. He thought that they had discussed that clause sufficiently the other day. The hon. member wished to know the reason why such a useless clause should be in the Bill. The reason was this : It might be possible that some foreign company might wish to construct a tramway here, but would not be aware of what the law was ; so if they turned to that Act they would find out exactly what their powers were.

Mr. GRIFFITH : That is a good reason.

The ATTORNEY-GENERAL said such a company would find out precisely what their powers of borrowing and mortgaging were. The law in New Zealand as to mortgages and the rights and liabilities of companies was similar to our own : yet the New Zealand Railway Act contained clauses of which those under discussion were a copy.

The PREMIER said that, with reference to the objection taken to the limitation of interest charged, and the rate at which they were allowed to sell their debentures, he thought those were very proper limitations, for the reason that it was the object of the Government to see that they sanctioned nothing but sound undertakings. Any sound undertaking in the shape of tramway construction could command debenture money at 6 per cent. with the greatest ease. The object of the clause was to see that they did not borrow money at a rate that would be actually oppressive to a council if they had to purchase afterwards, as they probably would. Great evils had arisen in England ; they could see what was the position of some of the big railway companies owing to the power that they had—whether they had it legally or not he did not know, but they exercised it—of borrowing money at any rate, and selling their debentures at such a price that they gained a very large amount of interest. Look at the London, Chatham, and Dover line, in which £100 debentures were now about £14, simply because they had borrowed money ostensibly at 6 per cent. to which they were limited by the Act, and sold their debentures at £30, £40, or £50, or whatever price they could get. The result was to bring ruin upon all the railway lines in that part of the country. He certainly thought that they should take precautions to make all their undertakings sound ones.

Mr. BAYNES said he did not dispute the statement of the Premier that 6 per cent. was a fair rate of interest, and he had no doubt sufficient money for legitimate purposes could now be borrowed at that rate ; but in times of depression they would not be able to get money at that rate, and he did not think they should trammel any company that might come into existence by stating the rate of interest at which they should borrow. He thought that should be left as a commercial transaction between the lender and borrower. No doubt 6 per cent. was sufficient at present, but they were not always going to have the flourishing, rosy times they were now enjoying, but must look forward to times of depression ; and he believed that already money was stiffening.

Mr. MILES said he was perfectly certain that money would not be got at 6 per cent. on debentures such as those even at the present time, when money was more plentiful and cheaper than it had been for a considerable time. The result would be that companies would not be able to borrow at all, and they would have no tramways ; so that if any hon. member was opposed to tramways he had only to support the clause, as it would effectually block their construction.

The MINISTER FOR WORKS said he was no authority on money-lending or money-borrowing, but he knew that they had the example of the New Zealand Government, which stood in the Act they had passed, called "The Railways Construction and Land Grant Companies Act," in the same position that the councils would do under the Bill. There was a special schedule of five companies mentioned which were going to make railways under the Act, and they were restricted from borrowing at a higher rate than 6 per cent. ; and he thought the same thing would stand good here.

Mr. GRIFFITH said there was a great difference between a railway and a tramway company. Once a railway was made, if it were thrown up by the company the Government must take it up; because, that means of communication having been established, they could never have another laid down alongside of it. It was a great national means of communication ; but tramways stood in a very different position. They were local ; and if one company did not succeed the property could be sold and anyone could buy it. He was perfectly satisfied that money could not be borrowed at 6 per cent. for the construction of tramways unless money fell in value. He had heard nothing with respect to the form of the

coupon. Why not let the company frame their own debentures and coupons?

The PREMIER said when they were dealing with the form of the coupon if the hon. member had any better form to suggest they would be happy to receive it; but he differed from him as to allowing each company to form their own debentures and coupons. He thought it was much better to get a good form and insert it in a schedule of the Bill, and that was what they had done.

Clause put and passed.

On clause 13—"Debentures and coupons transferable by delivery"—

Mr. GRIFFITH asked if there was any reason why companies should not be allowed to transfer debentures in the usual way, or why the company should not be allowed to say in what form they should be transferable. Why should they be transferable only by delivery? Suppose the debentures were stolen, what would happen then? Those were things that were usually provided for in the debentures themselves by the ordinary precautions that were taken in such cases.

The ATTORNEY-GENERAL said he had not quite heard the remarks of the hon. member, but he understood him to ask if a debenture were stolen what would happen. Well, if it was stolen, it was stolen, and the man who got it would be able to get money for it. Somebody must suffer in such cases, just in the same way as if a thief stole a watch. He did not think that that was any objection to the clause.

Mr. DICKSON thought there was an objection to mortgage debentures being necessarily transferable by delivery. Why should it not be optional to the company who tendered for the construction of the tramway to say whether debentures should be transferable by delivery or otherwise? It had been an objection for many years to the State debentures that they were transferable by delivery, and many trustees would not invest in such loose security. There was a growing feeling that debentures should be transferable by registration. The Government of New South Wales, in their last issue of debentures, had arranged with the Bank of England to inscribe the stock which changed its character from being transferable by delivery to transferable by registration; and he thought it was far better to leave it optional to the mortgagee as to the form in which the debentures should be issued.

Mr. GRIFFITH said he certainly thought the objection was entitled to the courtesy of an answer. He was not going to lose his temper, but he thought hon. gentlemen opposite should give some answer.

The PREMIER said the hon. member for Enoggera was quite right in saying that all Government debentures, except some inscribed stock of New Zealand, were transferable by delivery; and he thought, after having prescribed that that should be the form of transfer, the second section of the clause followed as a matter of course. On the payment of the coupon the Government were absolved from any liability. The principle worked very well, and always had. Among a certain class of investors in Government securities there had been a demand for inscribed stock, but the demand had not been sufficient to induce a general adoption of the plan. The form proposed was considered the best, and it was the form calculated to make the stock most marketable.

Question put and passed.

On clause 14—"Agents for raising loans"—

Mr. GRIFFITH said that according to the 1st subsection the Government might appoint as agent "a joint-stock company, or any such company and one or more persons, or two or more persons." He should like to know why the company were not allowed to appoint one person as agent.

Mr. DICKSON said he thought there was in the Bill a too slavish adherence to the original Act from which it was copied. It would be much simpler to empower the company to appoint an agent, and leave the company to decide who the agent should be.

Mr. FRASER said he noticed that the 2nd subsection of the clause provided that the agents of the company might raise a loan "at such times, in such parts, and upon such terms" as the company might direct. That appeared to give the company permission to override the clause which had just been passed restricting the terms upon which the company might borrow.

The PREMIER said he saw no reason why one person should not be appointed to negotiate a loan; though at the same time he saw no objection to making two the number.

The ATTORNEY-GENERAL said he saw no reason why one person should not be appointed. Hon. members would understand that the Bill had not been drafted by him, and he was not very familiar with the phraseology employed. The Bill was copied from a New Zealand Act, and there, no doubt, the provision had been found necessary. He was therefore willing to amend the clause in such a way as to allow the company to appoint one person as agent.

Amendments agreed to, and the subsection altered to read—

"1. The company may appoint any person or persons, or a joint-stock company, to be agents for negotiating a loan authorised to be raised under this Act."

Clause, as amended, put and passed.

Clause 15—"Mortgage to be a first charge"—passed as printed.

On clause 16—"Certificate of debt due by company"—

Mr. GRIFFITH said that, although he had read the clause a great number of times, he must confess he could not understand the object of it. It provided that a certificate given by two directors, stating the amount previously borrowed and then unpaid, should be conclusive evidence, as against the company, that no more money had been borrowed. Suppose a certificate was false; suppose it was certified that only £10,000 had been borrowed, whereas in reality £20,000 had been borrowed, what was the use of saying that it should be taken as conclusive evidence that only £10,000 had been borrowed? It would not prevent the lender of the £20,000 from having a prior claim against the company. What possible effect could the clause have? The question could not arise between the lenders and the company, but between the lenders who got the certificate and the prior lenders. He could not conceive any circumstances under which the question could arise. He hoped he made his meaning understood. Suppose A lent £20,000, and lender B got a certificate from the company that they had only borrowed £10,000. Any question that could arise would arise between A and B—not between B and the company. In no conceivable way that he could conjecture had the clause any meaning.

Mr. GARRICK said the clause appeared to form part of a series of sections, quite out of place there. It seemed to be a certificate where the borrowing powers of a company were limited, and it would be a certificate to intending lenders that they had not borrowed more money.

It seemed to have no connection whatever with that particular part of the Bill.

The PREMIER said there was some use for the clause. There was no power limiting the amount that a company might borrow, and the public would want some security from a company that they only borrowed a certain amount. Supposing a company borrowed £10,000, they would call those debentures "A" debentures, and under that name they would float the loan; but if the company wanted a new loan they would have to call those debentures by a different name. People would want to know how many debentures had been issued; therefore the company issued the first debentures for £10,000 as "A" debentures. Then, when they wanted to issue more, they called them "B" debentures. A certificate would accompany those debentures to the effect that the company had only borrowed £10,000 up to the time of issuing "B" debentures. It was a very necessary provision where the powers of borrowing were not limited.

Mr. BAYNES said he looked upon the clause as a very necessary one. It would be a guarantee to money-lenders that the company was in a solvent state, and they would at once know its indebtedness.

Mr. GRIFFITH said that while a certificate might show that a company had issued only £10,000 worth of "A" debentures, it did not follow that it had only issued that amount. It would prove conclusively—using the Premier's illustration — that they had only borrowed £10,000; whereas, in point of fact, they had borrowed £20,000. What was the use of proving a falsehood? If the certificate were true, it would be of no value; and if it were not true, it would be equally of no value. The clause was altogether too absurd to be seriously discussed. Could any interpretation whatever be put upon the clause? If it had any meaning at all, it was the same as clause 17.

Clause put and passed.

Clauses 17, 18, and 19 passed as printed.

On clause 20—

"1. If the money so secured is not paid upon lawful presentation of such mortgage, the mortgagee, without prejudice to his exercising any powers or remedies expressed or implied in any special deed of mortgage or other security held by him, may apply to a judge of the Supreme Court, by petition in a summary way, for relief under this Act.

"2. The judge may, if satisfied of the truth of the matters alleged in the petition, order that such part of the company's property as is liable under the provisions of this Act for the payment of such money shall be absolutely sold, subject to such conditions as he directs.

"3. The judge may in the meantime appoint a receiver of the rents, income, and profits of the property.

"4. Such part of the company's property as is liable under the provisions of this Act for money so secured shall, from the date and by virtue solely of such order, vest in the receiver, and cease to be vested in the company."

The MINISTER FOR WORKS moved that, after the word "secured," the words "with the interest from time to time accruing thereon" be inserted.

Amendment put and passed.

Mr. GRIFFITH said that the mortgagee was not bound to present his mortgage to the mortgagor. The mortgagor was bound to pay the money. It was all very well in the case of a debenture, but not in a case of mortgage.

The PREMIER: I like this plan better.

Mr. GRIFFITH said that it was certainly an anomaly, and he had therefore called attention to it. If, however, nothing was said to it, he would speak of another. The clause before them providing for the recommencement of proceedings by petition was evidently adapted from an analogous New Zealand Act—an adaptation without reason, because, though that might have been a cheap mode of proceeding once, and perhaps now, in New Zealand, it would be the most expensive mode according to the law at present in force here. In old times it used to be cheaper to proceed by petition instead of filing a bill in equity, followed by interrogatories, answers, and all that sort of thing. All that was abolished now; so why should not the mortgagee proceed in the ordinary way if he chose to do so? He would also point out that the clause was very inconvenient in many ways. Supposing a mortgagee was suing, he would, he supposed, be seeking to recover his debt, which might not be secured over all the property of the company. If so, and the debenture holder were to present a petition, he would have also to bring an action. The ordinary remedy would be to bring an action on behalf of himself and all the other debenture holders claiming the appointment of a receiver, etc. Why should they forbid this simple course and limit the power of the debenture holder and the power of the court? Why should the property vest in the receiver?—which, as he had before pointed out, was very ridiculous, as a receiver was not like an official assignee or liquidator, but was merely appointed to take care of property until it was disposed of. Why should one person be obliged to seek relief by petition, while another could bring an action to get relief, and the former way was far more expensive than the other?

Mr. MACFARLANE called attention to the state of the House.

Quorum formed.

The ATTORNEY-GENERAL said that, as to the matter of expense, the proceeding by petition would be very little greater than the other. He thought the aggrieved person would be quite contented with his remedy for sale, and if he could get a judge to appoint a receiver he would not want anything else.

Mr. GRIFFITH said he had understood during the discussion on the Bill the other night that the Government would not adhere literally to its provisions. It was now evident, however, that it was of no use making suggestions.

The MINISTER FOR WORKS said he had stated exactly what the hon. member said he had; but he also stated that he was in the hands of the hon. gentlemen present in the House. Of course, if the majority were agreeable he would adhere strictly to the Bill.

Clause 21—"Power for recovery of fines to vest in receivers"; and clause 22—"Receivers to give security";—put and passed.

On clause 23—"Application of money by receiver"—

Mr. GRIFFITH said the Government were surely not serious in asking the House to pass that clause. It would destroy the rights of the first debenture holders. If the company issued debentures in four series, or in four different ranks of priority, they would all rank alike. He must also point out that under the provisions in that part of the Bill any single debenture holder could get the property sold, though all the others might be agreeable to carrying it on.

The ATTORNEY-GENERAL said the clause read—

"Provided that in the distribution of the assets of the company no mortgage debenture holder shall have any preference over any other debenture holder by reason of any priority of date, by obtaining any order under this part of this Act or otherwise."

or otherwise! Why should any debenture holder, by applying to court, have priority over

any other? The Bill said he should not, by reason of priority or date. If the clause were not there, one who wished to gain an advantage over the others, and who had a prior mortgage, would of course be the first to make application for sale. But why should he have all the assets and leave subsequent debenture holders without their money?

Mr. DICKSON said that suupposing, in the case mentioned by the Premier, that a company issued one set of debentures marked "A": the holders of those would be the first mortgagees. The company then issued another set marked "B." Surely the holders of "B" bonds would not have the assets of the company distributed to them equally with the holders of "A" bonds! He could not believe such a monstrous proposition. A company would find its first debenture holders very chary of speculation in funds so precarious. Surely the Attorney-General did not know the character of the clause! The first debenture holders ought to be protected. No debenture holder under the Bill would take action as long as the company was solvent. If action were taken as provided for in the clause, and a receiver was appointed, he could make debenture holders share and share alike. He (Mr. Dickson) did not believe people would invest in debentures under those conditions.

Mr. BROOKES said he would like to ask the Premier whether it was not a fact that shares under letter "B" were not always bought at a lower price than those under letter "A"? "A" got best security, and "B" got less security than he did, and so on through the alphabet.

The MINISTER FOR WORKS said he did not see the matter in the light in which the hon. member for Enoggera did. If there were holders of debentures in "A" and "B" series, both took their debentures subject to the provisions of that clause; they would know what would happen before taking them up.

The PREMIER said that under the present system of mortgaging there was no preference unless it was clearly stated beforehand. If £100,000 worth of debentures were issued, no matter at what date they were issued, even if there was ten years' interval between them, the company was responsible, according to their assets, equally.

Mr. GRIFFITH: Those would be the same series.

The PREMIER: Yes, the same series. He could not understand the hon. member's objection. The clause was perfectly clearly framed. The debenture holders were not to have any preference by reason of priority of date, but if they wished to have other issue it must be stated on the certificate. It did not matter at what date the debentures were issued. If one of those companies issued £10,000 one year and £50,000 the next, and so on until they had issued to the extent to which the company was authorised, the holders of the last issue would have exactly the same claim as the holders of the first. Then if the company wished to issue another series of debentures they would state that it was a second mortgage.

Mr. GRIFFITH said the hon. gentleman did not seem to understand the clause, which provided that all debentures, no matter of what issue or of what date, should be ranked alike. The clause said that no debenture holder should have preference over any other debenture holder by reason of any priority of date, by obtaining an order under that part of the Act, or otherwise; and to remove all doubt, it also said that all debenture holders should rank alike. What the Premier had said was true in one sense. Suppose a company made an issue of £500,000 worth of debentures, every person who subscribed knew that he was subscribing for so many out of that £500,000. But that £500,000 would be the first charge on the assets of the company; it did not matter how long they were in being issued—it might be twenty years. Then if the company wished to issue another £500,000 worth of debentures those would be by way of second mortgage. A company might borrow twice; they were not bound to borrow all at once. They might issue a prospectus and borrow £10,000, and that would be the first mortgage; and if they wished to borrow £10,000 more they could not give anything better than a second mortgage; and why should subscribers to the different loans rank alike? The people who held debentures under the first mortgage would subscribe under the impression that the whole of the property of the company was secured for the repayment of the money; but according to the Bill the security might be divided, and instead of the whole of the property being secured to them they might get only a half, or a quarter, or a tenth part. Who would lend money under those circumstances? The clause must have been taken from a Bill where it was used in a different sense. Probably the man who drafted the New Zealand Act was not familiar with the subject of debentures. In every properly drawn debenture it was provided that the debenture holder should not have priority over any other holder of debentures of the same series. The draftsman probably had an idea also that the debentures of the same issue took priority according to the number they bore on them. The clause was evidently framed by someone who was under a double misapprehension as to the law of debentures. What was wanted was to provide that debentures of the same series and the same issue should rank alike; but in the Bill it was provided that all debentures, of whatever issue, should rank alike. He believed that no one would seriously contend that a second mortgage should have the same rights as the first.

The PREMIER said no doubt the clause was meant to apply to a case in which a company was allowed to borrow only a certain amount, up to which amount all the debentures would rank alike. It would be an improvement to amend the clause as the hon. member for North Brisbane suggested, so that debentures should rank according to the series in which they were issued.

On the motion of Mr. GRIFFITH, the words "holder of debentures of the same series" were substituted for the words "debenture holder," and the words "holders of debentures of the same series" for the words "debenture holders."

On the motion of Mr. GRIFFITH, the clause was further amended by the substitution of the word "debentures" for the word "shares," in the last line of the clause.

Clause, as amended, put and passed.

Clause 24—"When loan paid off powers of receiver cease"—put and passed.

On clause 25—"Mortgage to be a debt of the body corporate"—

The MINISTER FOR WORKS moved the omission of the words "body corporate," in the 3rd line of the clause, with the view of inserting the word "company"; and also the omission of the word "debenture," in the same line, with the view of inserting the word "mortgage."

Amendments agreed to.

Clause, as amended, put and passed.

On clause 26—"Act not to authorise council to require mortgagee to receive principal moneys before term agreed upon"—

Mr. GRIFFITH said he had called attention to the clause before, and could not see how it

applied in that part of the Bill. It was evidently intended to apply to a subsequent portion of the Bill, where a council bought under the 85th clause of the Bill, fourteen years after the completion of the tramway. The clause said:—

"Nothing herein shall be deemed to authorise the council, on purchasing any tramway under the authority of this Act, to require any person holding a mortgage to receive payment of the principal moneys secured thereby unless the time prescribed in such mortgage for repayment has arrived."

The clause was not applicable to the part of the Bill in which it was inserted, and what it was intended to effect would be provided for by inserting the words "subject to any mortgage existing thereon" after the word "purchase," in the 85th clause in Part X. of the Bill.

Clause put and negatived.

On clause 27—"Mortgagee not to sell without notice to council"—

The MINISTER FOR WORKS said he had an amendment to propose. He moved the omission of the first three lines, with a view of inserting the following: "No mortgagee shall, except by virtue of an order of the Supreme Court, sell, under any powers vested in him, any portion of the company's property charged by a mortgagee."

Amendment put and passed.

On the motion of Mr. GRIFFITH, subsection 1 of clause 27 was amended by omitting the words "the council," and inserting after the word "intention" the words "each council having control for the time being."

On the motion of Mr. GRIFFITH, subsection 2 was amended by omitting the words "the council have within," and inserting "each council has for."

On the motion of Mr. GRIFFITH, the word "their" in the 8th line was omitted, and the word "its" inserted in its place.

Subsection 2 was further amended by the addition of the words "the tramways" after the word "purchase," in the 8th line.

Clause agreed to after further consequential verbal amendments.

On clause 28—"If council exercise power of purchase, what moneys to be paid to company"—

Mr. GRIFFITH said it appeared to him that neither the clause as it stood, nor the new clause intended to be inserted by the Minister for Works, would meet the case, and that something would be required to be taken from each of them. In the case of the council buying, or giving notice of its intention to buy, how was the transaction to be carried out? Was it to be by arbitration? Supposing the council said they would buy, and they could not come to terms with the mortgagee, then surely he ought to have power to sell to someone else; but if the sale had to be approved by the council they would not be likely to approve of a sale to a company competing with them; so that it would seem that the mortgagee would have to take whatever terms the council offered, which would not be fair. It was a difficult point, and he must confess that at present he did not see a solution of it. The clause required further consideration.

The ATTORNEY-GENERAL said there was no doubt of the existence of the difficulty, and he would suggest as the best means of surmounting it that the 28th clause should be omitted, and that the new 28th clause should be inserted, to be followed by a provision to the effect that the amount of purchase money should be such amount as might be agreed upon between the mortgagee and such council or joint-stock company, and that if the parties could not agree the matter should be settled by arbitration on the principle laid down in the Public Works Land Resumption Act.

Question—That clause 28, as read, stand part of the Bill—put and negatived.

Mr. GRIFFITH said the point to be settled was a very important one. If three councils were interested and all wanted to buy, which would be entitled to priority? The one offering the biggest price would be the fairest from the mortgagee's point of view, but the acceptance of that offer might not be to the best interests of the public. Would the term "Company approved by the council" mean approved by every council where there were more than one council interested? He was of opinion that the clause should read, "approved by the Governor in Council"; because it was not right that the councils, being competitors, should have the right to veto. Ought not the Governor in Council also to prescribe in what order the councils should have the right to exercise their opinion? There was also the difficulty about fixing a price. The mortgagee had a right to get the best price he could, and fixing a price by arbitration was not the usual way of allowing a mortgagee to exercise his powers. The question was a very important one, and he thought it would be better to take time to consider the matter.

The ATTORNEY-GENERAL said the proposed new clause, to follow clause 71, appeared to apply exactly to the question that had been raised. It read:—

"Where a tramway has been constructed along a street and extends through more municipalities or portions of municipalities than one, and where it is deemed expedient that a local authority shall take possession of or purchase such tramway under the provisions of this Act—

1. The joint board of a united municipality comprising the whole of the municipalities in which the tramway or any portion thereof has been constructed; or
2. Such one of the councils of such municipalities as is interested in the greatest degree in such tramway—

shall, as the Governor in Council by notification in the *Gazette* directs, be deemed to be the council entitled to take possession of or purchase the tramway as aforesaid."

The word "council," if inserted in the clause under consideration, would bear the meaning attached to it in the clause he had just quoted—that was to say, it would mean the council appointed by the Governor in Council. That would get over the difficulty arising from the fact of there being two or three councils interested in the tramways; and it was perfectly clear that if the parties could not agree as to price they could not do better than arrange the matter by means of the arbitration clause in the Public Works Land Resumption Act.

Mr. GRIFFITH said that did not get over such a difficulty as might arise in the case of a perfectly good company being willing to give a bigger price than the municipality. To which of them would the mortgagee then sell? The solution suggested by the Attorney-General only contemplated a case where each party was prepared to give an equal price. The proposed new clause to follow clause 72 was a good clause, but it did not remove the difficulties pointed out; and he did not think the matter could be settled that evening.

The ATTORNEY-GENERAL said that the proposed new clause stated who might buy, and, that being settled, the mode of selling would be left to the mortgagee. The clause did not in any way prohibit him from accepting the highest offer. That difficulty appeared to him to be to some extent imaginary.

Mr. GRIFFITH suggested that on account of the unexpected difficulties that had arisen it

would save time if the Minister for Works would have the clause printed in the form he wished it to take.

On the motion of the MINISTER FOR WORKS, the CHAIRMAN left the chair, reported progress, and obtained leave to sit again on Monday.

The House adjourned at a-quarter to 11 o'clock.