

Queensland



Parliamentary Debates
[Hansard]

Legislative Assembly

WEDNESDAY, 17 SEPTEMBER 1884

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LEGISLATIVE ASSEMBLY.

Wednesday, 17 September, 1884.

Question.—Petition.—Formal Motions.—Queensland Spirits Duties Act of 1880 Amendment Bill.—Supply—resumption of committee.—Local Authorities By-laws Bill.—committee.—Adjournment.

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

QUESTION.

Mr. MELLOR asked the Minister for Works—
1. Have the Government received any definite proposals for the construction of a railway from Maryborough to Pialba by private enterprise?

2. If not, will the Government favourably entertain any such proposals when made?

The MINISTER FOR WORKS (Hon. W. Miles) replied—

The Government have received proposals on the subject, which are now under their consideration, and are favourably entertained; but the precise terms are not finally settled.

PETITION.

Mr. T. CAMPBELL presented a petition from certain residents of Cooktown in reference to the employment of coloured labour in the colony of Queensland.

Petition read and received.

FORMAL MOTIONS.

The following formal motions were agreed to:—

By Mr. NORTON—

That there be laid upon the table of the House, all reports and correspondence in connection with the Apparent Light at the entrance to Port Curtis.

By Mr. ISAMBERT—

That an Address be presented to the Governor, praying that His Excellency will be pleased to cause to be laid upon the table of the House, copies of all correspondence, reports, executive minutes, and all other papers having reference to, or connected with, the case of Leonidas Koledas and Thomas Fleeton.

By the Hon. Sir T. McILWRAITH—

That an Address be presented to the Governor, praying that His Excellency will be pleased to cause to be laid upon the table of this House,—

1. All correspondence in the possession of the Government between the Imperial, German, and Queensland Governments, and others, in reference to the claim made by Messrs. Hensheim and Company, and acknowledged by the Government, for injuries sustained by that firm from the burning of their stores in the Lachlan Isles by the crew of the "Stanley" in April, 1883.

2. Also all documents and papers connected with the voyage of the "Stanley" when the burning above referred to occurred.

3. Also all papers, not produced, connected with the trial of Messrs. McMurdo and Davies.

QUEENSLAND SPIRITS DUTIES ACT OF 1880 AMENDMENT BILL.

On the motion of the COLONIAL TREASURER (Hon. J. R. Dickson), it was affirmed in Committee of the Whole that it was desirable to introduce a Bill to amend the Queensland Spirits Duties Act of 1880.

The Bill was read a first time, and the second reading made an Order of the Day for to-morrow.

SUPPLY—RESUMPTION OF COMMITTEE.

On the motion of the COLONIAL TREASURER, the Speaker left the chair, and the House went into Committee to further consider the Supply to be granted to Her Majesty.

Question—That there be granted towards the service of the year 1884-5 a sum not exceeding £300 for the salary of an Aide-de-Camp to his Excellency the Governor—put.

The Hon. Sir T. McILWRAITH said: Mr. Fraser, — Before proceeding further with the business of the Committee, I desire to make a few remarks on the Financial Statement made last Wednesday by the hon. the Colonial Treasurer. It has been a matter of some labour to analyse that rather lengthy document, and the task has been made more difficult from two causes. In the first place the hon. gentleman has so framed his tables and made his balances to suit the possible exigencies of the time as to take away the clearness that we have hitherto had in the Financial Statement. For instance, the amount that was taken out of the Consolidated Revenue last year—in spite of all precedent, in spite of all rules of book-keeping—he puts back into the Consolidated Revenue, and further confuses it with the amount that would otherwise have been drained out of it had it been left to a separate account. Sometimes he makes it appear that the sum of £310,000 has actually been taken out of the Consolidated Revenue, and where it suits him he treats it as if it had been taken out of the Consolidated Revenue and treated as a surplus revenue fund. This is very confusing, not only to one not accustomed to accounts but also to one not thoroughly well accustomed to Government accounts for years back. To such a one it must be very perplexing indeed, and I am quite satisfied that hon. members will read that statement with considerable difficulty. Then, again, the hon. gentleman has further confused it by the immense number of calculations he has gone into—sometimes in order to clear the statements he has made, but in most cases they are simply calculations that it would have been much better to have given us in a printed form. In addition to this the hon. gentleman in his lengthy Statement has gone into explaining the simplest possible transactions. For instance, we have an account given in one part of the Statement showing the debtor items on one side and the credit on the other. Any man of ordinary intelligence could see what that account means; and to explain it, unless he had something to add to it, could not make it more clear. But the Colonial Treasurer has put into English almost all the figures he has made, and has made the Statement so lengthy that it is absolutely a trouble to fish out the corn from the chaff. With regard to the £310,000 to which he adverted at first, if hon. members will turn to Table B they will find that there he takes credit for a balance at the end of June of £366,301. Now, although at a certain part of this Financial Statement he hinted that that was really not the true balance to the Consolidated Revenue Fund, still the account goes forward that it is, and I think there is not the slightest justification for not having done so

except the object that he himself states—that it is a good thing in the eyes of the people at home who may be likely to lend us money, that the credit balance should show as favourable a position as possible. But if that position is not the true position it approaches somewhat near fraud—falsifying the books of the colony so as to put a better face on it. I left a credit balance of £311,594 13s. 4d. for the financial year to be commenced with. Parliament resolved to take £310,000 from that and put it to a surplus revenue account; and it must be remembered that that is not the only transaction of that kind we have had in the colony. In 1874, the same thing was done; in 1882, and again in 1883. And when these amounts were taken from the Consolidated Revenue Fund, voted and appropriated, they were withdrawn from the Consolidated Revenue Account; and separate accounts have up to the present always been presented yearly to Parliament among the financial tables. The same practice was adopted this time as was done before—namely, Parliament definitely withdrew that £310,000 from the Consolidated Revenue, voted it, appropriated it; and that would have left a balance to commence the year with of £1,594 13s. 4d. That was the amount of the balance the year should have been commenced with. The Treasurer, however, instead of doing that, leaves the £310,000 in the Treasury to the credit of Consolidated Revenue, and reduces it simply by the amount he has spent. Parliament has said one thing shall be done; and the Treasurer, reversing all common sense and reversing all previous practice, has said another thing should be done. Of course the Treasurer's object is to swell that balance. That is as plain as possible; but he wants to swell it unduly. He has no more right to put back that amount taken from the Consolidated Revenue Fund than he has to put back into the Consolidated Revenue Fund the balances voted out of Revenue in 1882. If hon. members turn to Table C they will find £135,794 to the credit of that fund; still, on the same principle, and in fact to carry out that principle, the Treasurer ought to have appropriated that amount and put it also into the Consolidated Revenue Fund. Not only that, but if he wants to swell that fund, and to carry out his principle, I do not see any reason why he does not—it does not go beyond his principle—adopt the balances lying to the credit of some of the Loan Funds; because no other reason can be given for appropriating this amount than that the Treasurer wanted unduly to swell his credit balance. His own words in justification of this are:—

"I am of opinion that it is undesirable and inconvenient to withdraw from revenue, until required for purposes of actual expenditure, whatever surplus may accrue from time to time; and I do not think it to be just to our financial prosperity and progress to exhibit our revenue balance periodically in a depleted condition, when such impoverishment is not actually caused by expenditure, or actual revenue deficiency in fulfilment of Treasury estimates. Moreover, as we shall have to make application to English capitalists for a considerable addition to our present loans, it is desirable that we should exhibit our revenue balances in their true position from time to time for the information of the public creditor and investor."

Now the hon. gentleman, I say, has done an unwarrantable thing against the dictation of Parliament, which ordered that amount of money to be withdrawn. He has gone against the actual principle on which we have hitherto held that it is a proper thing to withdraw certain amounts from the Consolidated Revenue. The hon. gentleman says now that he does not consider it a proper thing to take moneys from the Consolidated Revenue, because it unduly diminishes the credit balance. There is not the slightest doubt that

the hon. gentleman fears to be placed in the unpleasant predicament, before long, of an argument of that kind telling very considerably. That principle was adopted at a time when we had large credit balances, and when it was considered by Parliament a proper thing that those amounts that were left to the credit at the end of the year should be appropriated for the construction of works and other services which it was considered should, if possible, not be taken out of Loan. It was on this account that this £310,000 was actually taken from the Consolidated Revenue. The principle upon which we have acted has been that the Treasurer should as fully as possible provide for the expenses of the year by the revenue of that year, and not to let it depend upon the surplus revenue of the year before; and if he possibly could get the chance, to take away from the revenue accumulated for the year, and put it into a separate fund for the construction of works which would otherwise have to come out of Loan, and which should not come out of Loan. It is upon that principle the Treasurer should act. Parliament did that; and what other reason could there be given for this £310,000 being taken from the Consolidated Revenue? I left a balance of £311,000. Parliament, in its wisdom, said, take £310,000 from that and put it to the Surplus Revenue Fund. The Treasurer, however, thought that it would suit him a great deal better if he left it as Consolidated Revenue, and he left it there ever since against the dictation of Parliament, against all principle, and against all previous practice. If there were no other reason but that it confuses hon. members, that should be sufficient to induce the Treasurer to be more moderate in his desire to make a large credit balance. A very different balance would have been shown had he commenced as he ought to have done with a credit balance of £1,594, and charged to the year the whole of the expenditure which had occurred in that year. Then his credit balance to have started with this year would have been £134,373. That would have been very different from the balance which he now shows, and no doubt it would not have been so pleasant a statement to put before the financial men in London who possibly may look at these accounts. Now, in order to show in as rosy a way as possible the position of affairs at the present time, the hon. member has put the last three years' transactions in two or three different ways. But, before coming to that, I shall direct the attention of the Committee to another very confusing amount which constantly complicates the Treasurer's calculations, and which leads him often very considerably into error. If hon. members will turn to Table J, they will see a foot-note to the figures for 1880-1, intimating that the revenue for that year includes a sum of £252,525 transferred from the Railway Reserves Fund. Now this item may be treated in the Treasurer's books as revenue, and possibly in the way in which the books are kept it could not be done otherwise; but the hon. gentleman knows perfectly well that it was not revenue for that year, and cannot be taken into calculation as revenue for that year. He used it for the purpose of showing that there was very little increase from 1880-1 to 1881-2; whereas, deducting that £252,525 which ought to be deducted, he would have shown an enormous increase of revenue during that particular year. Again, hon. members will see in the expenditure column for the year 1882-3, a foot-note that the amount includes a sum of £245,040 transferred to Surplus Revenue Fund. In order to keep the Treasurer's books right, that would have to be shown as expenditure; but it was not expended—it was simply transferred bodily from the Consolidated Revenue Fund to the Surplus Revenue Fund. In order to account for

its being out of the Consolidated Revenue Fund it is here called expenditure. But when the Treasurer wants to compare the actual expenditure of that year with the year following, so as to show the proper increase or decrease, it is as plain as possible that he must give credit for that £245,040 as really not having been part of the expenditure of the year. That sum was not actually expended, and, therefore, the tables the Treasurer makes out are falsified by it. Then comes the third misrepresentation. There is an amount of £76,878 paid into the Treasury for pre-emptives, which the hon. gentleman has qualms of conscience about receiving. He took it out of the Treasury, but he leaves it to figure in the tables as actual revenue for 1883-4; so that, in the hon. gentleman's desire to make everything *couleur de rose*, he has actually falsified his own tables. He says:—

"The financial year 1881-2 commenced with a credit balance of £27,007 14s 9d., and terminated with a credit balance of £245,410 6s., thus showing a surplus of £218,402 11s 3d.; the financial year 1882-3 commenced with a credit balance of £370 6s., and terminated with a credit balance of £311,504 13s. 4d. * * * The financial year 1883-4, as just shown, has closed with an actual surplus on the year's operations of £209,657 10s. 7d.; or, to place the position in another aspect, the financial year 1881-2 showed an actual increase of revenue over 1880-1 of £78,426 12s. 0d.; 1882-3 over 1881-2 of £281,764 8s. 10d.; and 1883-4 over 1882-3 of £182,498 14s. 6d."

That is, the Treasurer tries to show the financial position in two ways—first, by giving the surplus of 1882-3 over 1881-2, of 1883-4 over 1882-3, and so on, and then by showing the increase of revenue in each of those three years. Now, from the way in which he has manipulated the Statement, the figures he gives us differ from those in Table J, from which I have made up the amounts; and those again differ from the actual truth by a very considerable amount. We have, therefore, the Treasurer's Statement, the statement to be deduced from his own figures in Table J, and the actual figures as made out by me. The surplus as per Table J for 1881-2 is £218,402; according to the Financial Statement it is the same, and according to my statement it is also the same. In those two years we agree, and so we start fair. Then comes the disturbing element in 1882-3. As per Table J the surplus is £66,184; by the Financial Statement it is £311,224; and by the actual facts it is £311,224. For 1883-4, the surplus as per Table J is £54,706, and as per Financial Statement, £209,657; while the actual surplus—deducting the receipts for pre-emptives, which can in no way be considered as revenue—should be £182,779. Now when these figures are placed side by side they manifest a startling discrepancy between the three statements—the one statement according to what the hon. gentleman ought to have deduced from his own figures as given in Table J, the next according to what he says in his Financial Statement, and the next the actual figures as given by me. The increase of revenue for these three years he compares in the same way, and this is how that stands: 1881-2, as per Table J, £218,402, and as per Financial Statement, £78,426. As for the actual amount—that is, allowing for the sum I have just mentioned, which in no way can be considered as revenue, as it was simply transferred from one account to another—the actual surplus for the year 1881-2 was £330,951. For the year 1882-3, the increase as per Table J is £281,765, the increase according to the Financial Statement being £281,765, and the actual amount being £281,765. In 1883-4, the increase according to Table J was £182,499, according to the Financial Statement £259,377, and the actual amount was £182,499. The Treasurer in making up his Statement in this way has

tried to make the surplus revenue appear as much as possible, and has tried to make the increase in revenue as great as possible; and in order to do so he has made to appear as revenue what was actually not revenue, but simply a transfer from the Railway Reserves vote. He has taken into account the amount of the pre-emptives, as forming a portion of the Consolidated Revenue for the year, which it certainly was not. Those two errors are clearly manifested by the statement that I have made. Of course those are mistakes that the Treasurer ought not to have fallen into, and they are mistakes that I can scarcely believe were made inadvertently by the hon. gentleman. In making such errors he has put a statement before the Committee which it is very difficult to understand. Now I will follow the hon. gentleman somewhat in the course that his Financial Statement took. He says:—

"Turning to the expenditure for the financial year 1883-4, the total amount represents £2,511,651, from which sum must be deducted the disbursements on account of the special appropriation of £310,000, amounting, as before shown, on the 30th June last, to £78,072. The actual expenditure, therefore, for the year stands at £2,433,579—an increase of nearly 9 per cent. on the expenditure of the preceding year, which, however, included a surplus revenue appropriation to the extent of £245,040."

The Treasurer has corrected that calculation since, I believe. Is that so?

The COLONIAL TREASURER: Yes.

The Hon. Sir T. McILWRAITH: The hon. gentleman has made an error there to the extent of 4 per cent., because the increase for the year he now says was 5 per cent., instead of 9 per cent. as put down. How the Treasurer could have made such an error as to say that the increase of expenditure was only 9 per cent. I am at a loss to know. He says that the increase in expenditure only amounted to 9 per cent., and at the same time he goes on to explain—

"The Colonial Secretary's Department represented an increase; the Administration of Justice expended £33,520 for 1883-4, as against £28,278 for 1882-3, showing an increase of 18·5 per cent.; while the Department of Public Instruction absorbed £154,015—an increase of £23,983, or at the rate of 18·4 per cent. on the preceding year. The increase in this department was largely created by buildings, which increased from £19,943 in 1882-3 to £36,433 in 1883-4, or over 82 per cent."

The only department in which there is a small increase is the department of the Auditor-General, in which the expenditure is increased by 3 per cent. With those figures before him, I am surprised that the hon. gentleman should have made such a mistake as to calculate the increase at 9 per cent. And then, when he finds he has made a mistake, he actually reduces the percentage to 5 per cent., in the face of such enormous increases as 20 per cent., 25 per cent., 10 per cent., 13 per cent., 21·9 per cent., and 31 per cent. Actually, with those figures before him, when he could so easily have arrived at an average, he reduces the increase of expenditure from 9 to 5 per cent. Why, sir, the thing is ridiculous, and I will show the hon. gentleman how he has arrived at that calculation. This is where the error that I refer to comes in. Turning to Table J, we find that the expenditure for the year 1882-3 as given there is £2,317,674. Now, the calculation made by the Treasurer, in which he says that the expenditure for last year was only increased by 5 per cent., to be of any value must be based on the actual expenditure that was made during the year. Very well; he takes £2,317,674 from the £2,511,651, but he forgot altogether that there is £245,000 of that amount called here expenditure that is not expenditure, that was transferred from that account to a surplus revenue fund; so that the amount that has to be calculated

is £2,317,674, less £245,000. That will give us the fair expenditure for 1882-3; and, giving him credit for the £75,000 from the surplus revenue, the expenditure, instead of being increased by 5 per cent., is actually increased to the extent of 17 per cent. I may as well give the actual figures. The expenditure for 1883-4 is, by Schedule B, £2,511,651; I deduct from that, according to the Treasurer, the part of the appropriation of £310,000 which was actually spent—namely, £78,072—and that leaves a balance as actual expenditure for the year of £2,433,579. The expenditure for 1882-3 is £2,317,674, less the surplus revenue charged as expenditure, £245,040, leaving an actual expenditure of £2,072,634. That leaves an increase on the year of 17 per cent., and of course it was the only increase the hon. gentleman ought to have considered for a moment in the tables he has put before us. The hon. gentleman explained at very considerable length the actual receipts for 1883-4, and no doubt in a large number of items they are very satisfactory. The amount of increase in Customs—7½ per cent.—and indeed under the general heading of “Taxation,” is very gratifying, but the decrease on the whole of the land revenue is not so very gratifying. I leave out of consideration altogether the sale of land, because it has affected last year’s Budget to a very inconsiderable extent; but the cheering increase that we have in the rents of homestead and conditional selections, and the amount for pastoral occupation, will, I am afraid, decrease in his future estimates. However, I will come to that when I speak about his Estimates for the year. The increase during the whole of last year on the actual receipts was 7½ per cent., and the Treasurer expects to get this year an exactly similar increase—namely, 7½ per cent.—although I make it a little less. I do not think there is much to remark upon in the very lengthy portion of the document he has devoted to the expenditure of last year, and most of my remarks on that head will come into consideration when I speak about his proposals for the present year, which I now take up. The first thing we notice in connection with his proposals for the present year is that he has based the amount of increase of revenue on that of last year—namely, 7½ per cent. But there is one noticeable fact he has failed to see. He has failed to point out that the actual amount of increase of expenditure he has provided for is over 11 per cent. While only foreseeing an increase of revenue by 7½ per cent., he has provided for an increase of expenditure by over 11 per cent. The hon. gentleman ought certainly to have given some explanation of the fact that his expenditure was increasing in a greater ratio than his revenue. He bases his estimate of revenue as high as he can—and I believe it is a very high one—and he makes the increase in his revenue 7½ per cent. in the year, whereas the increase in his expenditure is over 11 per cent.; yet the Treasurer, in making his Statement, never noticed the fact. He told us the increased amount of revenue he anticipated, but he did not tell us that he had provided for a very much larger increase of expenditure. With all deference to the hon. gentleman, I think his estimate of revenue is too sanguine. I am quite sure that if he looks back at his own tables, and sees the fluctuating state of the Customs during the last few years, he will scarcely find reason to anticipate that the Customs revenue will increase from £866,000 last year to £920,000 this year. Let the hon. gentleman turn to Table M, and look at the total amount received from Customs since 1875-6, and I think that will be a sort of warning to him that increases cannot be calculated on with unvarying regularity. The amount received in 1875-6 from Customs and Excise was £522,000; in 1876-7, £563,000; in 1877-8,

£604,000; in 1878-9, £547,000; in 1879-80, £520,000. During those five years the hon. gentleman occupied a similar position in the Administration, and yet at the end of that time the receipts from those sources were scarcely as high as they were in 1875-6. Then the Administration changed, and the revenue went on increasing. During 1881-2 it was £691,000; in the following year, £805,000; and last year, £900,000. That is where we are now, but surely the hon. gentleman is not so sanguine as to anticipate that that ratio of increase is going to continue under the new Administration. He ought to read the figures backwards, and estimate the probable receipts at what they were when he was in office before. He ought not to take his ratio of increase from what we have done, but from what he did himself, and then he will find that his estimate is very considerably wrong. The next item in his Revenue Estimates is the land revenue, and this is a matter of speculation. At all events, he expects from that source this year only a trifle over that which was realised last year—namely, £635,000. In looking over this item there is one thing that strikes us pretty plainly, and that is that the hon. gentleman will have to press his land sales in the auction-room pretty strongly before he realises that amount; and that is a source of which he cannot avail himself very long. But the most extraordinary thing in the document, perhaps, is the amount of increase he anticipates from railways, and in those calculations I can see evidences of the peculiar abilities of the Minister for Works. On the Southern and Western Railway he expects an increase of 17 per cent. on last year’s receipts; on the Central Railway an increase of 28 per cent.; on the Northern Railway an increase of 23 per cent.; on the Maryborough and Gympie Railway an increase of 21 per cent.; and on the Bundaberg and Mount Perry Railway he expects, from some inscrutable reason, an increase of 50·3 per cent. On the last-named railway he has actually stopped the only work which was likely to make it pay—the erection of sidings; and yet he is sanguine enough to anticipate an increase of revenue from that line to the extent of 50·3 per cent. Now, anyone considering that would have expected that something more than general reasons would have been given why such an extraordinary amount of traffic is anticipated. I think the signs of the times show that the traffic on our railways is going to decline. The hon. member knows perfectly well what happened before under exactly the same circumstances. When we had a bad Government, and after a bad drought, the increase of traffic on our railways stopped. That the Treasurer should anticipate not only the normal traffic in good times, but also an increase, seems almost ridiculous, when you read the figures in connection with almost every railway in the colony. I look upon last year as an unprecedentedly good year, and I shall be very much astonished if anything approaching to the amount of increase anticipated by the hon. gentleman is realised. Whatever may be the reasons for anticipating the vital increase in the hon. gentleman’s statements—because this item of £223,000 is an item on which the hon. gentleman relies upon more than any other to make his account square at the end of the year—whatever reasons he may have had, I do not think they have any connection with the reasons that have induced his colleague to make these extraordinary increases in the actual expenditure on almost every one of these lines. Those increases in the Estimates hon. members will see by turning to the Department of Public Works and Mines, where there is an amount provided not at all called for by even the largely increased

traffic anticipated by the Minister for Works. On the Southern and Western Railway he anticipates an increase in traffic of 17 per cent., while he has provided for an increase in expenditure of 23 per cent. On the Central Railway he anticipates an increase in traffic of 28 per cent., while he has provided on the Estimates for an increased expenditure of 36 per cent. On the Northern Railway he anticipates an increase of revenue to the extent of 23 per cent., and he has provided for an increased expenditure to the amount of 43 per cent. On the Maryborough and Gympie line he anticipates an increase of revenue to the extent of 21 per cent., and he provides for an increase in the expenditure to the amount of 26 per cent. On the Bundaberg and Mount Perry line—the tables are turned here—he anticipates an increase in the revenue of 63 per cent., but he has only provided for an increased expenditure of 36 per cent. Can there be anything more ridiculous than these figures? Has the hon. gentleman really considered them? I believe they have been muddled from the Under Secretary to the Secretary for Works; he has muddled them again to the Treasurer, and the Treasurer has gone and muddled them again. But not only that. That does not represent the whole discrepancy between the revenue and the expenditure. After dismissing one of the best men we ever had in the railway service, there is an increase in the general establishment, for which I can see no reason, of 12½ per cent. Besides the estimated expenditure on the railways—an increase varying from 23 to 43 per cent.—there is an addition of 12½ per cent. on the general establishment, including the Engineer-in-Chief. These are facts so startling that they ought to have been put clearly before us, instead of being put in a crude way—by simply referring to the increase in the number of miles open for traffic. That did not give us a tenth part of the increases, and the hon. gentleman will have to explain these discrepancies before the Estimates go through. I may as well say here, while I am on the subject, that I have never seen Estimates put before the House which contained such a large number of increases in every direction. In every department, from the Colonial Secretary's downwards, amounts have been provided for increases in salaries; and the statement made by the Treasurer, that these are to a large extent accounted for by allowances which have hitherto been made to men being added to their salaries, is not a true way of accounting for them, because after allowing for these amounts in almost every case these men have received an addition to their salaries. These increases, too, are made by what ought to be considered from the traditions of the old country an economical Government. Why, sir, the Government is composed of members who have spent months in every session, when not on the Treasury benches, in nagging away at little increases put on the Estimates from time to time—just like little terrier dogs—trying to worry Ministers. Yet after that they come and put on increases all through the Estimates. It is a lucky thing for the Civil servants when a discriminating Ministry like this comes into power.

MR. MOREHEAD: Reducing their hours of work and increasing their pay.

THE HON. SIR T. MCILWRAITH: I will just notice some increases that I have seen during the last five minutes. The magistracy in Brisbane is very much increased; so are other offices. At Blackall there is an increase; also at Charleville, Charters Towers, and Clermont.

THE PREMIER: Those are in lieu of fees.

THE HON. SIR T. MCILWRAITH: The hon. gentleman will find that the fees will not account

for them. There are increases at Copperfield, Cooktown, Cunnamulla, Dalby, Gladstone, Goondiwindi, Gympie, Herberton, Hughenden, Mackay, Maryborough, Maytown, and Mount Britton; in fact, I could go on and find increases in almost every item. I shall be glad if the hon. gentleman can show where there are actually no increases. I am not taking increases to any particular individuals. I should like the hon. member to throw some light on the way in which the Estimates on the whole have been got up. I notice, for instance, at Winton—a place where, if the hon. gentleman considered the difficulties of carriage and the cost of living, he would see that the amount of salary put down is by no means sufficient to keep any man in respectability even—the Police Magistrate at that place receives £450 a year, the same as before. If there was an increase granted to any officer on account of efficiency of service, and also on account of the difficulty and cost of procuring both rations and house accommodation that is forced upon him by his position, the officer I refer to should have received attention; but he has not. Then, on the other hand, we have the Clerk of Petty Sessions at Toowoomba increased from £280 to £350. I shall be glad to hear whether that increase is on account of the loss of fees in connection with his office.

THE PREMIER: Entirely on account of fees.

THE HON. SIR T. MCILWRAITH: I will guarantee there is information to be got about that. As if he would give up the whole of his fees for the difference!

THE PREMIER: The fees were taken away by Act of Parliament.

THE HON. SIR T. MCILWRAITH: Then he gets them in some other way. At all events, if he has given up all his fees, and only gets £75 a year more than he did, he is not the man I take him to be. I notice these two cases as examples of what has been done with friends and foes. I have said, sir, that I do not think the Colonial Treasurer will realise his revenue; I believe myself he will very much exceed his expenditure. We know that all Colonial Governments—all Governments, as a rule—exceed their estimated expenditure—and especially Liberal Governments. That is shown by the Supplementary Estimates. I will take, for instance, 1875; the Supplementary Estimates for the half of that year ending on June 30, under a Liberal Government, amounted to £59,204; the next year they rose to £146,235; the following year, 1876-7, they went down to £112,312; then they rose again to £162,476, and the last year the Liberal Government were in office they reached £163,225. To show the difference between that Government and one that actually tried to square matters, when our Government came in in 1879-80, the Supplementary Estimates were reduced to £67,809; in 1881 they were £90,497; in 1882, when we had to provide for a good deal of expenditure that was expected by Parliament, though not actually voted, they amounted to £113,000, and last year they were £83,870. So that not only does the Treasurer require to provide for the ordinary increase that all Governments must provide for, but on looking at past transactions, it is evident that he must provide a great deal more. I do not require to go at length into the changes the hon. gentleman proposes to make as a means of acquiring more revenue. He proposes an alteration in our excise—to lower the duty on colonial spirits to 8s., instead of 10s. as it has been heretofore. In other words, he intends to put a protection duty of 2s. a gallon on colonial spirits manufactured. The hon. gentleman evidently considers it a matter of

importance, but he refers to it in this way. I will give his arguments. He says it is justified, because ever since the duty was put on in 1880 the manufacture of colonial spirits has declined. The revenue from that source has decreased, and he brings in that to prove some dogma in favour of protection, to which I will not refer now. Does the hon. gentleman not see—it is as plain as possible—that instead of getting the duty that would be paid if men were allowed to manufacture as much spirit as they liked, we get the import duty of 10s.? The revenue comes in through Customs instead of Excise. The hon. gentleman has used one of the strongest arguments he could against himself. Does he not see that instead of there being a decrease there is actually an increase of revenue? And the hon. gentleman forgets altogether the reason why the duty on colonial manufacture and imported spirits were equalised. It was simply because it was a trade which was demoralising the people of the colony—that is to say, that we were supplying bad grog to the people of the colony, and actually paying a bonus of 3s. 4d. per gallon to the men who supplied it. Does the hon. gentleman not know that in the distilleries on the Logan there were labels for every kind of spirit that is made—gin, whisky, brandy, rum—almost every brand of spirit—and they were regularly brought up and sold in this city? In fact, it was a most iniquitous trade, and it was in order to do away with that trade that the matter was brought before the House. The hon. gentleman says that it is a protective duty, and that it is the absence of this protective duty that has made the trade dwindle. But I will ask him to explain to me this one fact: How is it that the colonial export trade has dwindled to such an extent as it has done? The Act was passed in 1880. In 1881 the export of colonial rum was, in value, £13,312. In 1882 it had come down to £6,865. In 1883 it had fallen to £2,252. So far from the export trade having kept up, and the home trade decreasing, it is the very opposite. The export trade has decreased a great deal more than the home trade. And what does that show? It shows that, left to the freedom of their own will, the people outside the colony dislike colonial rum just as much as the people inside of it. The export trade has decreased—

The COLONIAL TREASURER: Because it has ceased to be manufactured.

The HON. SIR T. McILWRAITH: But, sir, we have still the export trade. We did not alter that in the slightest degree; there is no embargo upon the export trade. The hon. gentleman seems to reason in this way: This trade will not pay unless it has a protective duty. He argues in the same way as the Americans, who charge a duty of 50 per cent. on their steam engines, the effect being this: They say, "We will charge so much against the American people themselves for these steam engines, and when we compete with foreign manufacturers in Australia we shall be able to sell at actually a lower price than people can in England." But is that any reason why we should actually pay so much for our rum here to give a profit to the men who export it? I never heard a proposition more demoralising ever made to the Committee, and I will give the Bill that has been introduced to-day my strongest opposition when it comes before the House. Lowering the excise duty is equivalent, in fact, to increasing the import duty; in fact it gives a preference in trade—a protection to the article that has a low excise duty. It is a protective duty, as he himself says. The grog trade, as you know, Mr. Chairman, especially the colonial grog trade, finds its customers mostly among the working people.

But there is another class of customers to be dealt with in another way altogether by the hon. gentleman. He proposes to lower the duties on all wines, thereby taking away the protection that the wine-growers are having here, in order to allow the better class of customers who do drink wine to obtain it so much cheaper. If the hon. gentleman is going in for protection, why does he not do it thoroughly instead of in a sneaking way like this? I have always advocated, since I have been an inhabitant of the colony, that we should do all we possibly can to encourage our native industries. Of course, to encourage a certain trade you must get advantages. But what are the advantages to be got by encouraging trades like rum and whisky making here? They would employ very few men—and men who are not the best class we can imagine—to colonise a place like Queensland. The increase by these men is small; and what do we sacrifice for it? The people have to put their hands in their pockets, and for every gallon of rum that is used they are asked by the Treasurer to pay 2s. out of their own pockets. The Government passed an Act in 1880 equalising the duty on spirits; and they studied the effect it had at that time upon the distilleries, and it was a question with me and with the House whether the men engaged in the manufacture of spirits were not entitled to some compensation, as possibly the duties might be altered so as to inflict a hardship on them by taking away their trade; and a great deal that ought to have been said was not. There was not one distiller who was not of opinion that, if they came into competition, it would be better for the spirit trade of the colony if the distilleries were done away with. I do not speak for all; but my remembrance in dealing with the matter is that the distillers were only afraid of the actual loss, and would rather be out of the trade. Why should we propose to raise up an industry of this kind by what is an equivalent to a duty of cent. per cent. on the value of the article manufactured? We are asked to pay a duty of cent. per cent. for the purpose of increasing the population of the colony by a few workmen. I never heard of such a proposition. Then in the next paragraph he is very anxious to protect different industries; but what about the wine-growers? His idea is to take off the duty on wine, and to let us get good wine from South Australia. The thing is preposterous. Let him either be a freetrader or a protectionist. If he wishes to do anything to encourage a native industry in this colony he will have no one at his back to support him. The table that the Treasurer has given here is always a difficult one to understand. I initiated it myself in order to supply certain information to the Committee. That is Table H; and a confusion has arisen by that £310,000 sometimes being taken out of the revenue and sometimes being left in it. I will guarantee that there is not a single man, even with the help of the Treasurer's Statement, who has read Table H and understands it; and if he turns to Table H of last year he will understand it a great deal less. Hon. members, in looking at Table H, will see that it is always brought forward in one way, by contrasting the position on the 1st July of one year with the 1st July of the next year. But that did not suit the Treasurer this year. In last year's Financial Statement, Table H ended with a balance which was called "Assets in excess of liabilities, £117,807." The hon. gentleman, who has never admitted the statement that the £310,000 has come out of the Consolidated Revenue, actually commences this table—as we will see by the last line—"Liability in excess of assets, £192,192." If he had said a

word to explain that, he would have had to explain that he got into a serious muddle, by not taking out of the Consolidated Revenue that £310,000; at one time treating it as if it were actually part of the Consolidated Revenue, and at another, treating it as if it were part of the Surplus Revenue Fund. He had actually commenced his account by showing what was called an excess of liabilities of £117,000, and liabilities in excess of assets, £192,000. Any member of the Committee must see that an account of that sort must require explanation; but if the hon. gentleman had given an explanation he would have exposed the falsity of his own account. I have taken the account as it ought to be taken, to explain our present position; and the hon. gentleman will see that one of the aims that he had in view—to show that our financial position was better by £80,000 than it was last year—was completely gone. The way the account ought to stand is this:—Amount of unexpended votes, £305,930. Of course I take the hon. gentleman's own tables. Votes lapsed, £50,000. That I take the same as it was last year. Net liability, therefore, £255,930. Then deduct that from the balance of Consolidated Revenue, £366,301. Then it leaves a balance of £110,371. That is the way that the account has always been made out before. It leaves assets in excess of liabilities, £100,000. Last year the assets in excess of liabilities were £117,807; so that instead of there being £87,000 to the good, as the hon. gentleman says in his Statement, we are actually £7,436 to the bad. The hon. gentleman drew attention to a large number of tables—to Table S—by simple words, without reading the contents; but I think it was due to hon. members that some conclusion should have been drawn from them. There has been an extraordinary increase in the shipping—outwards and inwards—from the year 1880 till now. The shipping inwards from the United Kingdom in 1880 was 37,000 tons; in 1881 it was 166,000 tons; in 1882 it was 269,000 tons; and in 1883 it was 428,000 tons. The shipping outwards to the United Kingdom in 1880 was 11,000 tons; in 1881, 123,000 tons; in 1882, 176,000 tons; and in 1883, 196,000 tons. Now that is gratifying in itself, and it is still more gratifying to find that, while there has been such an increase in the shipping—outwards and inwards—to and from the United Kingdom, we have at the same time an enormously increased intercolonial trade. For the year 1880, our inward shipping from the Australasian colonies was 501,000 tons; in 1881 it declined to 491,000 tons; in 1882 it rose to 507,000 tons, and in 1883 it rose to 826,000 tons. The shipping outwards to the other colonies, in 1880, was 512,000 tons; in 1881, 545,000; in 1882, 621,000 tons; and in 1883 it was 868,000 tons. I think the first conclusion to be drawn from that is the wisdom of the last Government in providing the system by which the commerce of the country is carried on now, and the next conclusion is that the wonderful bounds that the country has taken in that way are not to be considered as proof that we are to have the same kind of leap every year. From that I draw the conclusion that the hon. member, in fixing the amounts he expects from taxation so high, is reckoning without his host. I believe the increase for which he has provided is a great deal too much. I have reviewed and given my opinion on both the expenditure and the revenue; I have shown and given reasons why I consider the revenue is estimated too high; I have given reasons also why the expenditure will, in all probability, be very considerably increased; and I have shown that it cannot be seen on the Estimates, or from the Treasurer's Statement, for what reason we are to be plunged into a largely

1881—2 w

increased expenditure in almost every department of the Government Service, and especially in the Works Department. I hope we shall be more satisfied on that point before the Colonial Treasurer gets his Statement through. I do not think that this is a time when we ought to have trusted to such a very small balance in our favour as the balance of £44,000 put down by the hon. gentleman. I can quite understand, however, the necessity for that balance. He was bound to his expenditure caused by the extravagance of his colleagues; and, as he could not possibly increase the revenue a great deal, he tried to show it therefore in a small excess. That excess may have furnished—no doubt did furnish—the reason why, in spite of all constitutional practice, he retained in the Consolidated Revenue the £310,000 to which I have referred. Now, sir, a word with regard to the Loan Estimates of the hon. member, on which the hon. member certainly did not dilate to the same extent he did in giving the details of expenditure and revenue for the last year. I think, however, that was the most important part of his subject; and he ought to have gone into it a great deal more than simply saying the colony would be able to go to the expenditure of a loan of ten millions of money. When I consider the character of the man, and the character of the party from which this proposition comes, it does not excite any horror in me; it excites a desire to laugh. The party who have changed their tactics so completely on all matters connected with the carrying out of the public works of the colony; who within the last seven years were most violent opponents of borrowing money for the construction of railways; who changed right round and went in for the most wholesale plundering of the estate of the people, by selling the land actually for the purpose of constructing those railways; who changed back again and opposed me when I proposed a moderate loan of three millions of money; who, being themselves hopeless of my being able to provide interest for that amount, even considered they were justified in obstructing the Government until points of that sort were settled;—when this party come forward without the slightest explanation—merely buoyed up by the success of the loan of last year—and say, “We will go in for £10,000,000”—it is excessively like the party. They wish to go one higher. If I had gone in for £10,000,000, they would say, “£30,000,000 is not too much.” The only reason they have given why we should with confidence expect that our borrowing power should not be stinted is the success of the last loan. I was in England during that time, and I have made the money market pretty much a study; but there has never been a period in my lifetime when money could be got on more favourable terms by any Government than then—and to a certain extent at the present time, when the same causes operate. Even that dirty little colony of Natal—people have not always the sense to consider the probability of their money being swallowed up by some insolvent country—even that miserable colony borrowed a million of money at the same time, to the astonishment of everybody. All the colonies got money at that time, and the reason was this: Money at the time was very plentiful, because people who would otherwise put their money into business could not do so profitably just then, and had to put it to some use or other, temporarily; and the only course they had was to put it into Government securities. There was a run on Government securities of every kind, even of the worst descriptions; but there was a cause which contributed still more to the ease with which loans were floated at that time, and now, and that

was the proposition made by the Chancellor of the Exchequer to reduce the interest paid on the National Debt from 3 per cent. to $2\frac{1}{2}$ per cent. That proposition, of course, had an effect on all other Government stock, because the difference between $2\frac{1}{2}$ per cent. and 4 per cent.—the usual amount—was greater; it made the difference of interest greater of course. Some people having limited incomes were forced to sell out of one stock into another, which they might not consider so good, but which would yield a higher income; and in that way the prices even of bad Government stocks were increased. When we put our last loan on the market we were in as prosperous a condition as we are now. It is quite possible that we may have a higher position in the English market now than we had then. At that time a loan of £2,500,000 was put on the market, only one-fourth of which was applied for by the public; and had it not been for the arrangements made by the Government the result would have been a failure that would very likely have crippled the borrowing powers of the colony for many years to come. That was only about nineteen or twenty months ago. Depend upon it that no matter what temporary cause may increase the value of our debentures, ultimately, and before very long, investors will look at the security we have to offer. As long as we can give good security I have no doubt that we shall be able to borrow. I have never said in this colony that we should not borrow; I have always been in favour of borrowing as much money as the English public would give us; I have always, as a legislator and a public speaker, done everything I could to induce the English public to lend us money, and I believe it is a good thing for the colony to borrow. But that is a very different thing to the only trump card played by the Ministry—the prospect of borrowing £10,000,000 to keep them in power. They have harassed the squatting industry, and that will not produce very much during the next year; they will fall behind their expectations in regard to the land revenue, and it will rebound on the Customs. They have also harassed the sugar industry. The only industry of the colony which they have not touched is the gold-mining industry. To contemplate the expenditure of £10,000,000 in a short time—such, for instance, as the life of the present Ministry would be—is a little too much for this colony. It puts me in mind of a desperate effort made by the late Premier of Victoria to retain office. At the time I refer to, every one of the constituencies in that colony wanted a railway. The Premier thought that by gratifying the constituencies they would vote for him and keep him in office, and so he brought forward a Railway Bill to provide railways in every part of the colony. They argued about those railways for five or six months; and having gratified the public, the very next thing the people did was to turn the Government out, and it served them very well right too. When the Colonial Treasurer tells me that he is going in for a ten-million loan, and explains that we do not want it all now—of course I know that—I say the Government are going beyond their responsibilities, if they intend to provide more than is required for the time the Ministry will be in office. If he means that we shall not want that money for six or seven years to come—if it is more than will be required for the probable life of his own Ministry, or the immediate wants of the colony—I say he will be exceeding his responsibilities. Does he think to frighten the world with a ten-million loan, and fancy that they will live long enough to spend it? The thing is a little too ridiculous. If that is his intention the colony will consider the responsibility of

having such a Treasurer and of having such a boss of a Colonial Secretary who sits alongside. The hon. gentleman is so unsteady and so unstable in his ideas—so unsteady as to the means by which he will raise revenue. He has changed his mind so rapidly on this matter that he can never really expect that the people will give him credit for this great change, and think that the prospects are going to turn out as he forecasts. I do not believe he will get the revenue from the land that he expects; he has not shown us anything to prove that he will. He has hurt two producing industries, thereby injuring the Customs. He has purposely interfered with his resources from the land, and lost a large amount of legitimate land revenue that was helping the Treasury, and helping to populate the country, by inducing people to come and settle on the land. He has cut that away and left no bridge behind him, and now his only prospect is a large hazy increase from the pastoral tenants, who, I believe, will very likely be of such a class as to pay their rent or not, just as they choose. I would not be astonished if, with the prospects the Colonial Treasurer has laid before us, there should be a large deficit; and he knows perfectly well that his expedient of Treasury bonds could only be the suggestion of a man who has lost his head. When we resort to such extraordinary means of filling up a deficit caused by the want of foresight of the Treasurer there will be still worse times for the colony than when we trust to bankers for an overdraft. I hope we shall never see the time in this colony when we shall have an overdraft from bankers, but I fancy we are drifting that way. The hon. gentleman has undertaken responsibilities he was not called upon to undertake, when he talks about a loan of £10,000,000. It is only because I went in for £3,000,000 and his colleague afterwards capped that with a proposal for £5,000,000, and because our loan last year was so successful, that he now says, "We will go in for a very big loan and astonish the people." If he thinks that the people will vote for the Government and keep them in office, because they promise railways everywhere, he never made a greater mistake in his life. I think that is their object, but the people will not accept it. The hon. gentleman's common sense must tell him that to indicate at the present time that we have borrowed to a greater extent than any similar community in the world, and that we mean to increase our liabilities to the extent of about 40 per cent. at a jump—must have the very opposite effect to that which he has evidently anticipated, namely, of getting the loans floated in the English market.

The COLONIAL TREASURER (Hon. J. R. Dickson) said: Mr. Fraser,—I was glad to hear the full manner, I may say, in which the hon. member for Mulgrave has addressed himself to the criticism of the Financial Statement. I think that on the whole, while in his position as leader of the Opposition he is bound to criticise the Government speeches delivered in regard to the finances of the colony, his remarks have not tended in any way to weaken the position the Government have taken up in advocating at the present time a policy of progress, and dealing with a much larger financial power than has hitherto been contemplated in the colony. Instead of being weakened, the advocacy of this position has been fortified by the remarks made by the hon. gentleman. I do not think he has shown that the colony has less vitality now than at any previous time. The figures he has adduced have, to my mind, entirely gone against himself, in proving what I may term the irresistible progress of the colony,

which has justified us in entering upon a very much larger scheme of public works than has hitherto been attempted. It is only to be expected that the hon. member, in addressing himself to the Financial Statement and the proposals of the Government, would find fault with those proposals; but I do not think that anything he has said has weakened the position I have taken up, or at all tended to show that the Government have not fully and wisely considered all matters dealing with the present financial position of the colony, before announcing them in this Committee. The hon. gentleman commenced his remarks by deprecating the action taken by the Government in connection with surplus revenue. Last year I think I very fully and explicitly pointed out my reasons for not withdrawing from the Consolidated Revenue that special surplus of £310,000. I fully informed the House last session of the intentions of the Government in that direction, and therefore I contend I do not lay myself open to the charge of having acted as the hon. member stated, contrary to the dictation of the House. If the hon. member will turn to the Appropriation Act of last year, he will find that there was special provision made for this £310,000 being retained as part of the Consolidated Revenue of the country. I will refer to the Appropriation Act itself. The 2nd clause of the Appropriation Act which was passed towards the end of the last session of Parliament stated:—

“Notwithstanding the provisions of the eighteenth section of the Audit Act of 1874, the sum of three hundred and ten thousand pounds in the last preceding section mentioned under the title of ‘Surplus Revenue’ shall not cease to be available at the expiration of three months after the said last day of June, one thousand eight hundred and eighty-four, although no contract or engagement shall have been made or entered into before the said last day of June, by which the liability to issue or apply the same shall have been incurred; but the said sum shall be legally available for the services for which the same is hereby appropriated at any time until the same shall have been expended.”

This clause in the Appropriation Act expressly implied that the £310,000 would be maintained in the Treasury books as Consolidated Revenue, subject to parliamentary appropriation. At the time this feature was introduced into the Appropriation Act—I may say an entirely new feature, this being the first time a clause of the kind was ever introduced into an Appropriation Act here—it was mentioned to the House what action would probably be taken with this special appropriation; and, the House having ratified it, I contend that the charge of having acted against the dictation of the House in no way lies at my door. I may have acted against the experience of former Treasurers, but I am not at all ashamed or afraid to accept the responsibility of my action. I maintain that the course now adopted is a wise course. The money cannot be diverted to any other object than those mentioned in the Special Appropriation of last year, 1883-4; but that we should denude our revenue periodically, and commence each year with £200 or £300, when we have £300,000 lying unexpended, is to me a course of financing very much to be deprecated. I consider I have taken a step in the right direction; and the responsibility of that step I assume entirely, because it was upon my advice that the Cabinet took this action. I say it is a course of action I feel proud to justify, and one which will be attended with many satisfactory results. I admit that at the outset of the system there may be apparent confusion in the accounts, but that confusion I have endeavoured as far as possible to disperse from the minds of hon. members; because, at the outset of my remarks in my Financial Statement, I pointed out clearly to hon. members that a certain proportion of a large balance to Consolidated Revenue on the 30th

June last belonged to Special Appropriation, and was retained at credit of the Consolidated Revenue, and, further, that the money would not be withdrawn until actually required for purposes of public expenditure. I believe it would have been wise for us to have adopted the same course in the past. If hon. members look back three or four years they will find Treasury statements showing the balance to commence the year's operations with of £400 or £500, while we had actually £245,000 lying as a balance in the Surplus Revenue Account—

The HON. SIR T. McILWRAITH: What is the use of a surplus revenue account?

The COLONIAL TREASURER: I may state that at one time £245,000 was withdrawn—that was, I think, in 1882; and a very small amount was left to the credit of the Consolidated Revenue upon which to commence the year's operations. I say it is not our policy to show a low balance to the Consolidated Revenue Account. I know it suits the policy of the hon. members opposite, and notably the hon. member for Mulgrave, not to show our Consolidated Revenue in a flourishing condition.

The HON. SIR T. McILWRAITH: Why?

The COLONIAL TREASURER: That is not our policy. However, the hon. gentleman's line of political conduct throughout has been consistent in this respect. He wants the people of this colony to believe in some other means of proceeding with public works than out of the finances of the colony.

The HON. SIR T. McILWRAITH: Nonsense!

The COLONIAL TREASURER: That is consistently the ground he has taken up, but it is a policy which I deprecate. We are not falsifying the public accounts as the hon. member stated; but we want to show plainly and clearly what is our unexpended balance. We want to show what is the amount of money which accrues from the operations of our yearly revenues and expenditure. We want to show periodically the actual result of our annual balance in the Treasury, without depressing our condition unduly by withdrawing money and paying it to a fund outside the public revenue and of which the public creditors have no knowledge whatever. I contend that is the proper view to take of the matter, and I desire to retain as much as possible the credit of the colony.

The HON. SIR T. McILWRAITH: Why did I not make a deficit if I had been wrong? I always made a surplus.

The COLONIAL TREASURER: The hon. member has always adopted the best means to impress the public creditors with a want of confidence in the elasticity of our resources. The hon. gentleman said just now that any man who advocated the issue of Treasury bills must have lost his head. I want to know who last adopted that expedient? I want to know who, in issuing Treasury bills, did so on the pretext that certain moneys which had been expended ought to have gone into the Consolidated Revenue, and issued Treasury bills which were subsequently covered by a loan issue? The hon. gentleman knows very well the time to which I refer. I do not want to go back to any very remote period; but the hon. gentleman has invited my criticism, and has pointed out that the man who issued Treasury bills would certainly be unfitted for the position of Colonial Treasurer. The hon. gentleman himself was the last gentleman in the Treasury who carried out that system, and certainly under much less justifiable circumstances than those to which I alluded when I was speaking regarding

the financial bearing of the Land Bill. I pointed out at that time that, if the revenue of the colony for the time was disturbed by the introduction of the new Land Bill, such an expedient would be more justifiable than at any previous period. It is a necessity which I admit I do not anticipate, but I said that if it were rendered necessary the issue of Treasury bills for such a temporary expedient would be much more justifiable, and certainly much less dishonourable to the Government of the colony, than the manner and the justification of the issue in the year 1881-2.

The HON. SIR T. McILWRAITH: There was never a Treasury bill issued.

The COLONIAL TREASURER: We passed a Treasury Bills Act, and the hon. gentleman knows he had authority to issue them. The mere fact of not having paper printed, and signed by the Governor, is only a quibble. They were covered by the Loan Act.

The HON. SIR T. McILWRAITH: I had a million of money at the time, and never intended issuing them. It was a mere matter of form.

The COLONIAL TREASURER: I do not know what the hon. gentleman means. If he never intended to issue them, why did he get the authority of the House to issue 252,000 Treasury bills in 1880? These bills were specially provided for in the ensuing Loan Estimate, followed by a Loan Act in which, as expressed in the Loan Estimate, provision was made for the retirement of these Treasury bills. Whether they were circulated or not is a matter of not the slightest moment. The hon. gentleman had the authority, and he knows very well that if he did not issue them he was relieved by a large accession of unexpected revenue, which enabled him to tide over the period. That he was prepared to issue them, and received the authority of Parliament for that purpose, he cannot deny. The hon. gentleman, in the course of his remarks, referred to Table J. It is difficult to follow the verbal mention of a long array of figures, and I was not able to catch the full purport of the hon. gentleman's remarks. I think he complained of a discrepancy between the results in the years 1881, 1882, and 1883, as compared with the figures shown in my Statement. When I see the hon. gentleman's figures I shall go through them, and take the opportunity on a future occasion of explaining to the Committee how the discrepancy arises. I have no reason to think I am in error, but if I should be I shall admit it; or else I shall show the hon. gentleman where he has made a mistake. I admit that, in Table J, the figures showing the year's revenue and the year's expenditure are sensibly increased by the amounts which have been transferred at various times from Railway Reserves, and the amounts which have been debited to Surplus Revenue. They are, I admit, unduly inflated; they show the actual revenue operation for the year, plus the transfers which have been made to and from the respective accounts. But the hon. gentleman ought to have stated that the year to which he first takes exception, 1881-2, was the year of his own administration, and the form in which the figures appear in this Statement is precisely the form in which it appeared in the Treasury Statement he submitted to the House. Therefore, I would point out that no change has been authorised by me with a view to suggest to this Committee that the circumstances of the colony are more prosperous now than heretofore. The hon. gentleman has justly pointed out that the sum of £2,023,668, given as the revenue for 1880-1, embraces a sum of £252,525 transferred from the Railway Reserves Fund, and does not represent the actual operations for the year; but

I answer that that is the form in which it was framed in his own Treasury tables when he made his Financial Statement in 1881.

The HON. SIR T. McILWRAITH: Yes; but that is not the point. What I blamed the hon. gentleman for was using it as revenue for that year when he knew it was not revenue. The hon. gentleman was showing the difference in the revenue of two years, and included in the revenue of one of them an amount transferred from the Railway Reserves. The hon. gentleman, knowing that was not revenue, should have deducted it, and not taken that table.

The COLONIAL TREASURER: The present table is simply a copy of the tables which were framed up to that time by the hon. member himself. The total for the year under consideration was the total furnished by the hon. member. He, in his tables, did not make any explanation.

The HON. SIR T. McILWRAITH: Yes; I made a foot-note.

The COLONIAL TREASURER: The same foot-note is here; but we have taken the totals of the years just as shown. The whole error arose in this way: The hon. gentleman ought never to have transferred that surplus revenue from Railway Reserves, and then there would have been no misconception. Had he kept a separate account and treated it as trust funds are treated, there would have been no justification for error. I am free to admit that to strictly go into the operations of the year would lead us into much deeper considerations than I have presented in my Financial Statement, because it deals with expenditure for the past year which really is largely formed by a balance of expenditure brought over from the preceding year, and this exercises a considerable disturbing influence on the actual expenditure for the year. I trust that in a little time we shall have a form of account which will show clearly the expenditure that has actually occurred within the year; and I think also that the form in which I am endeavouring to frame the accounts, by keeping the special appropriation within the Consolidated Revenue, will enable hon. members to see more clearly than heretofore the actual expenditure of the year. The hon. gentleman, in dealing with my estimate of Ways and Means, referred to Table M—the Customs revenue—and pointed out the small amount of revenue which had accrued from Customs in 1875-6. He pointed out that in that year we received £494,000 from Customs; 1876-7, £583,394; 1877-8, £571,731; 1878-9, £511,131; and so on; and he drew attention to the small increases which occurred in those years of depression. Had the hon. gentleman said nothing more than merely pointing out the depression which unfortunately was felt in those years of drought, I should not have referred to it, but it certainly does amuse me to hear the hon. gentleman speak in the way he has done; and I think he exceeds his duty when he blames the Government, and says that all that depression in 1877, 1878, and 1879 was due to the miserable Government at the head of affairs. The hon. gentleman stopped there in his remarks, but he should have proceeded, and viewed what took place the next year. Eighteen months after he entered office he had a smaller revenue than ever occurred before. He only received a revenue of £483,000 as against £571,000—I am now speaking of Customs revenue—received two years previously under the miserable Government which he so much abuses. I think the hon. gentleman is unfair, and it is unworthy of him to make such a claptrap argument. There is no doubt there was a great wave of depression over the colony at that time,

and it took some time to recover from it. It did recover; but what I have said before, and I repeat now, is this: that the late Government did not fully recognise the elasticity of the colony to recover itself. We all certainly felt that times were bad, but many of us had much greater faith in the prosperity and energy of the colony than the hon. gentleman who is now the head of the Opposition. We know the expedients to which he resorted to fill up revenue; and showed that he was under the influence of a severe panic as to the condition of the colony, and had no faith whatever in its capability to rise out of the great gulf of depression into which, unfortunately, it had descended. And what was true of the hon. member then is equally true of him now, if we are to judge by the speech he has delivered this afternoon. Does he not still endeavour to intimidate us as to the future progress of the colony? The hon. gentleman intimated to us some time ago that we were on the brink of a volcano. Time after time he has reminded us of the same fact—that we shall be landed in a very serious depression, and with a very serious deficit, in a short time.

Mr. NORTON: So you will!

The COLONIAL TREASURER: Well, I do not think we will. I do not think the circumstances of the colony are at all similar now to what they were some years ago, and I have every faith and confidence in the elasticity of the colony. I am sure of this: that the estimate has been prepared and framed very carefully; so carefully, in fact, that I admit it lays me open to the charge of having guarded my estimate of revenue so much that the estimate of expenditure has exceeded, in several services, the ratio of increase. The average rate of increase does at times appear to be largely exceeded by the requirements of the service for expenditure. That was done from a desire to guard myself against putting before the Committee an estimate which would not likely be realised. I do not think that anything that has been alleged by the hon. gentleman in any way weakens my confidence in the fulfilment of the estimate which has been laid before the Committee; in fact, I shall be exceedingly surprised if a very much larger increase is not shown, especially in that branch of revenue with which I am most conversant—the Customs. I guarded the estimate particularly, and I believe it will be exceeded to a very considerable extent in that direction; and so it will be, I venture to hope, with all the other services of the colony. I do not share in the apprehensions of the hon. member concerning our railways, for if I believed in our railways ceasing to be productive in proportion as they are extended I should consider it my duty to advocate that their construction be stopped. We have to expect—and our expectations will be fully realised—that our railways will pay, and will pay more largely as they advance and spread over the country. The hon. gentleman takes up his line of argument because he is in opposition, but if he were on this side and advocated a bold policy such as ours is he would say that he believed our best investment would be found in the extension of our railways. I should be very sorry to think that the large extent of mileage which has been opened during the past year will not produce that increase which is fixed to the respective services.

Mr. NORTON: It will not.

The COLONIAL TREASURER: The hon. gentleman also referred to Table H, claiming credit for having been its originator. However, I must claim credit for having introduced that table in 1877, and I take the credit of having formu-

lated it. I think it is a very useful table, and I trust its usefulness will not be at all weakened by the form in which it appears now.

The HON. SIR T. McILWRAITH: No one understands it.

The COLONIAL TREASURER: I am sure the hon. member has not tried to understand it. It is a table in which he takes great interest, and with his aptitude for figures he ought to understand it well; but it is a table which can be placed in such a position as to lead to a great deal of misconception. We know that figures can be so marshalled that they may be made to support any argument. However, I would refer hon. members to this Table H, because the more it is investigated the better it will be understood. In the form in which it is placed before hon. members it shows the results of last year with the expected results of the year ended 30th June last. I say expected, because until the 30th September arrives we do not know the exact amount of the votes that will lapse. We say £60,000, but it may be £70,000, or even more; but, considering the large amount that has lapsed in former years, I think £60,000 is a fair estimate. Hon. members will see that the amount of unexpended votes of previous years amounted to £244,059 at the end of the financial year 1882-3. The amount allowed to lapse was £50,000, reducing the unexpended services of last year to £193,000. There was also the balance at credit of the Consolidated Revenue, on the 1st July, 1883, £311,594. It will be seen in this table that we charge the Special Appropriation of £310,000, and give credit for the balance of the Consolidated Revenue Account. But it will simplify the position by saying that this £193,000 of unexpended services was reduced by the difference between the amount of Special Appropriation, £310,000, and the balance to credit of Consolidated Revenue, namely, £311,594, being £1,594—leaving a liability in excess of assets of £192,000. We start this year with unexpended votes amounting to £537,000, but hon. members will see that those include the balances of the Special Appropriation, which requires to be deducted so as to show what amount of that £310,000 remains unexpended. We commence with £537,858, and we estimate to lapse £60,000, leaving a balance of unexpended appropriation for services of last year amounting to £477,858. From this sum we further deduct £231,927, being the amount of unexpended Special Appropriation votes of 1883-4, which reduces our revenue liability on unexpended votes to £245,931. The balance at credit of Consolidated Revenue on 30th June, 1884, was £366,301, of which sum £231,927 was, as before stated, belonging to Special Appropriation, to provide for services authorised but not paid for—thereby reducing the balance of actual revenue to £134,374; which sum, if credited to the undischarged revenue liability of previous years—amounting, as before stated, to £245,931—will reduce that amount to £111,557, so that our liabilities in excess of assets are £111,000, or £81,000 less than last year. To put it in a simpler manner, the unexpended votes of revenue proper amount to £305,000, and we deduct from that £60,000 on account of lapsed votes, and also the amount of £78,000 expended out of surplus revenue appropriation, and there is left to credit of Consolidated Revenue £231,000, making our liabilities in excess of our assets £111,556. I am sorry to have had to occupy the time of the Committee by referring to those tables and statistics, because they are not particularly intelligible, except to those who take an interest in figures. What I wish to point out is that, transpose the figures how we may, the fact that our position has improved

is maintained and affirmed by Table H. I observe that the hon. member for Mulgrave does not approve of the intended reduction of excise duty; but the discussion on that matter will be better held over until we deal with the second reading of the Bill which has been introduced this afternoon. In passing, however, I may say that the decrease in production is not so much owing to want of appreciation outside the colony of colonial rum, as to the fact that distillers here will not manufacture for export. They will chiefly manufacture for local consumption. Of course when they have fully supplied local consumption they will have to look for an export market outside the colony; but they want an immediate return for their commodity, and it is in that view alone that this encouragement is sought to be given to them. The foreign article can now be introduced here at the same price, and from the fact of its having been sent from the other side of the world it has attained an age and fineness which recommends it to consumers in preference to rum manufactured here, which is often too new at the time it is endeavoured to be put into consumption. The advantages are at present altogether in favour of the imported article, and we may very legitimately encourage local distillers or manufacturers. They will employ a much larger staff of operatives than the hon. member for Mulgrave has referred to; and I am of opinion that the justifiable encouragement they will receive under that Bill—especially as they enjoyed the same privilege before—will not only encourage the industry, but will tend to the increase of the revenue. The hon. gentleman's argument is no doubt true that, if there is an increased consumption of colonial spirit, there will be a smaller consumption of the imported article; and at first blush it would appear that, if we encourage the consumption of colonial rum—which only pays 8s. per gallon duty, as against imported rum, which pays 10s. per gallon—there will be a loss of revenue. Against that we may put the encouragement that will be given to a large number of manufacturers in the colony, and the fact that a commodity of considerable value—molasses—which, at present, is utterly wasted, and cannot even be carted away from many sugar plantations, will be utilised. Money will thus be saved to the colony, and the sugar industry—though I do not put it prominently in that light—will receive an advantage, however small, in being able to dispose of some of its surplus products. However, I will postpone what I have to say on this subject until the second reading of the Bill, and I only mention it here because it has been referred to by the hon. member for Mulgrave. Distillers will be able to manufacture more through having a local market than from the mere fact of their having an export trade open to them, which, I think, they will not find highly remunerative in competition with rum from other parts of the world.

Mr. NORTON: What will happen to those who drink it?

The COLONIAL TREASURER: I deprecate the statement that the liquor will be inferior. I believe that Queensland can produce as good spirits as any imported, if it is only aged enough. Rum can be produced in Queensland as good as the best West Indian, if it be allowed to attain the required age; and it is certainly desirable that it should attain that age before it gets into consumption. It is not my intention to take up the time of the Committee unnecessarily by any remarks I make in reply to the hon. member for Mulgrave. I think I have answered the whole of his objections except those with respect to the balance on the operations of the years 1881, 1882, and 1883,

which I am not prepared to discuss until I see them in print. The hon. gentleman, in referring to the Railway Department, accused me, in expecting 21 per cent. as the estimate of receipts, of not taking into consideration the fact that the expenditure for the year was at the rate of 28 per cent.; and endeavoured to show that through carelessness I had not made adequate provision for the year. But the apparent discrepancy may be easily explained. We know that year by year a large amount of roadway is opened, which must necessarily raise the revenue, but must first increase expenditure considerably. At the present time hon. members will bear in mind there are about 280 miles of roadway in course of construction, which will be opened at different periods during the ensuing year. The maintenance and proper management of those lines will have to be provided for at the present time, while the revenue is of course uncertain, and will doubtless continue to be so until determined by the dates on which such portions of roadway are opened. Therefore, we must have in connection with our railways, as long as we are extending them as we are doing at present, constantly to provide a larger amount of actual total expenditure than we can reasonably hope to see covered by the receipts of the financial year. And it must be further borne in mind that we are gradually charging the Consolidated Revenue with the maintenance of lines for a certain period after they are open for traffic, which expenses were previously provided out of loan. Those expenses—maintenance for six months—have become a charge upon the general revenue; and all these things tend to swell the certain estimate of expenditure, while the problematical receipts, as I have pointed out, depend upon the time at which the different sections of the line are opened for traffic. Therefore, hon. members must not be disconcerted by the fact that the apparent estimate of expenditure on our railways for this year, so far as I have gauged it, is larger in proportion than the revenue expected. In framing that estimate, I have been guided largely by the condition of the various branches of industry in the colony—by the condition of pastoral and other settlement—and I have had to be guarded so that the estimates I submit are such as are capable of fulfilment. I think we have every encouragement from the tables submitted by the Treasury on this occasion, which show that, notwithstanding the annual increase of expenditure in connection with our railways, the receipts have increased beyond expectation, whilst the percentage of working expenses is gradually being reduced. I would again direct the attention of hon. gentlemen to Table Q in regard to this matter. It will there be seen that in 1879-80 the percentage of working expenses to receipts on the Southern and Western line was 69·53; while for 1883-4 the percentage is 54·58. On the Central line in 1879-80 the percentage was 59·35, and it is this year reduced to 43·78. On the Maryborough line there is a small increase, and for that there are satisfactory reasons given by the department. It appears that last year there was a considerable amount of ballasting to be done which had to be left over from the previous year through want of engine power, and consequently the expenses in connection with maintenance last year appear proportionately high; the percentage of working expenses to receipts having increased from 65·95 to 73·24. That is the only exception in which there is an increase; all the rest show a decrease. In fact, all our railways appear to be in a most sound and healthy condition, and corroborate what I have repeatedly said—that our railways are undoubtedly becoming a most valuable investment, that with increase of years will add very

considerably indeed to our annual revenue. I think, sir, there is ample information given in the Statement to justify us in the loan proposals we have submitted to Parliament, which will be definitely formulated in a few days, when hon. members will be able to consider them fully. Meanwhile, however, I am glad to see that, although the hon. member for Mulgrave deprecates to a certain extent the large loan policy we have enunciated, if conducted by us, he does not disapprove, in the interests of the colony, of such an increase of loan indebtedness. I think his objections have been chiefly directed to the Government who have enunciated this loan proposal, and not to the amount of the loan which we have formulated. But, sir, I think that the Government will prove themselves worthy and able, so long as they remain in office, to carry through this loan in a manner which will be beneficial to the true interests of the colony. When I reflect upon what the hon. gentleman has said this evening, and compare his remarks with those of hon. gentlemen who sit beside him, I am constrained to think that they continuously exhibit a great amount of want of confidences spoken of in a tone of great disparage have heard this evening some of its manufactures industries, and in its manufactures. We have confidence in the resources of the country, in the present; and there has certainly been considerable want of confidence shown in the ability of the colony to furnish the revenue that I have estimated to receive for the current year. But I have no fear, sir, of that estimate being unfulfilled, and I have still less fear of the colony being in such a condition that it is not well able to bear what we propose, in the shape of an additional loan. I trust that when the loan proposal comes on for consideration it will receive every encouragement, every fair consideration, at the hands of hon. members on the other side of the House; for I believe that the colony at the present time is even in a better condition to bear the augmentation of our loan liability in the shape of £10,000,000 sterling, than it was to bear the three-million loan which was propounded in 1879. During the last five years the colony has made unprecedented and unparalleled strides in progress and prosperity; but at the time the three-million loan was proposed it had receded to a degree almost sufficient to raise the apprehensions of many alarmists, some of whom at that time administered the affairs of the colony. We at the present time need have no fear, apprehension, or alarm concerning the colony being able to bear the additional strain of our proposed loan liability; and although hon. gentlemen opposite may not exhibit much confidence in the Government which proposes to administer such a large amount of additional loan indebtedness, still I am sure that the people will have confidence in them, and will fully recognise the benefits which must accrue from the great impetus that will undoubtedly be given by it to the industrial pursuits of the colony. I think I have now answered, so far as time affords me, the objections to the Financial Statement raised by the hon. member for Mulgrave; and I repeat that, while the hon. gentleman has addressed himself to the question with considerable ingenuity and his ordinary ability, he at the same time has failed to make any adverse impression whatever upon the Statement which I submitted to Parliament, and which I trust will be ratified by the votes of the Committee.

Mr. ARCHER said: After the exhaustive criticism of my hon. friend, the hon. member for Mulgrave, on the Financial Statement, it will hardly be necessary for me to go over the same ground again and criticise it in the same way; but

there are a few things which I should like to make some remarks about. I am quite certain that the hon. gentleman was right when he sat down in saying that the Committee would sustain him in his views. I have not the slightest doubt of that, and that the vote of the Committee will approve of it; although there will be something to be said when he brings in his Loan Estimate. I cannot help thinking that the hon. gentleman, although he comes down with a bold front, must, to some extent, regret that he is not in the same favourable position as that he was in last year, at least when making the last Financial Statement. Then he was left with a very great surplus indeed, and, after having devoted some £310,000 by special appropriation to a certain purpose, there was a large surplus over what was expended. That he was pleased to call an apparent surplus. I wonder if he would like to change his surplus of this year for that "apparent" surplus of last year. Last year the apparent surplus was £310,000, and this year he tries to make out that he has got something like it, by including in it money that has already been appropriated. I doubt very much if the hon. gentleman would not be glad to be able to show a clear net balance over expenditure of the sum of £310,000 that he called an "apparent" surplus last year. He knows perfectly well that his surplus this year is not half of what it was last year; that is to say that the expenditure, in spite of the large increase to the revenue of the country, has increased faster than the revenue; so that instead of having such a surplus as probably an economical Government, who, without in any way starving the public works of the colony, would have had, he is only able to show less than half of the surplus that the previous Government showed when they finished their year's accounts on the 30th June last. About this £310,000 I have another word to say. I utterly deny that the Colonial Treasurer has justified the manner in which he has treated this account. I insist with my hon. friend, Sir Thomas McIlwraith, that it ought not to have been carried forward to Consolidated Revenue at all. I believe that the Committee would have far better understood the tables that were before hon. members, and far better have understood the hon. Treasurer's speech, if this £310,000 had appeared in the way in which it ought to have appeared, as a sum in bond to carry out some special works for which it had been voted. By introducing it into his Financial Statement, carrying it sometimes to Consolidated Revenue, and sometimes somewhere else, he has played such fantastic tricks that we do not know where it has gone to, and instead of helping to clear the matter, and show the Committee distinctly what our position is, he has simply tried to darken it. I think that that £310,000, having been voted for special purposes ought not to have been reckoned as Consolidated Revenue. It is really money which would be expended for purposes which otherwise we would have to borrow money for—for such purposes as we borrow money for—for immigration, etc.; and what the hon. gentleman said, that he had foreshadowed this in the Appropriation Act of last year by a clause that dealt with it, does not bear the same interpretation to my mind that it does to that of the hon. gentleman. Clause 2, which he read, simply shows that this money was to be available for the purpose for which it was voted in spite of anything; that was to say, it should be devoted to that purpose and no other. We know that all moneys that have been voted for special purposes in that way do not lapse. They have always been put to a separate account. The previous surplus revenue which was voted for special purposes was unavailable, and kept in

separate account, and never interfered with the Consolidated Revenue; and this clause that the hon. gentleman alludes to, as showing that it ought to be put into the Consolidated Revenue again, says that it shall not lapse because it has not been spent after the first year. It says nothing about what he said. It is devoted to a special purpose, and it ought to be treated like a loan account; that is to say, it is to be used for a certain purpose as we generally use loan money for. To bring it back into the Consolidated Revenue is simply to confuse and make worse confounded the most difficult Financial Statement to understand that I have ever seen. Although it will make me wander about a little, I think I will follow the hon. gentleman where I have put down a word or two of his speech to remind me. He twitted this side of the Committee with being, he thought, rather afraid to follow the gentlemen now in power in their policy of progress. So far as we have seen as yet that policy of progress is not apparent. When we hear what the policy is, then we shall be able to tell him whether we think he is carrying too much sail and requires to reef, or whether we are prepared to follow him in his bold flights. As yet I am not aware of any one thing which he has said which can be construed to point out any policy of progress which we are prepared to follow. If he refers, indeed, to the enormous sum he has proposed to borrow, I do not think it will require much judgment on his part to know that this side of the Committee will not approve of it. No Government should be allowed to borrow £10,000,000 sterling and have the control of a sum of money which it is not likely they will see the end of during their term of office. It would be perfectly absurd. They must have some sinister motive. Perhaps it is for the purpose of bribery. Is every little place where a vote is to be got to have a railway? If not, what is the use of talking about borrowing £10,000,000, unless it is actually a bait held out to the followers of the Government? "Look here, we are going in for £10,000,000; you have only to say so, and there is not a grog shanty or a blacksmith's shop that shall not have a railway going by it." That is the only thing that I can conjecture as a motive for even speaking of borrowing £10,000,000 in this way. We ought to borrow the money that is required from year to year as we go on. There is not the slightest fear that either the Colonial Treasurer or the Colonial Secretary will find that we are afraid to follow him in any measure of progress, as he calls it, which will lead to the advancement of the colony. Now, in the criticisms of my hon. friend Sir T. Mellwraith on the Financial Statement, he of course tried to point out errors; but I do not think he ever tried, as was charged by the Treasurer, to show the Consolidated Revenue of the country at less than it was. If his purpose had been, as the Colonial Treasurer said, to depreciate us in the eyes of the money-lenders at home, the thing would have been exceedingly simple. He would only have had to follow in the steps of the Government which he succeeded, and he would have very soon ruined our credit at home. What is the reason that the large loan was recently so well sold? Was it from anything the gentlemen now occupying the Treasury benches have done? I am certain that it was not. It was the result of the bold policy of the present leader of the Opposition; it was his bold policy that brought Queensland out of the mire into which she had been landed by the late Government; it was that which not only filled up the large deficit, but produced a large surplus. And when people at home saw that we were not only paying our way, but making railways, increasing our trade, and show-

ing a surplus, then it was that they were induced to lend money on more favourable terms than they had ever done before. They were reaping the advantage of the previous bold policy of the previous Government, while the previous Government, when they first came into power, were reaping the fruits of the miserable policy of the Government that preceded them. To bring that charge against my hon. friend—that he wished to depreciate the colony—is perfectly absurd; in fact, if he had wished to do so he took the very worst means that could be taken, by showing the continued increase of a yearly surplus. What that hon. gentleman did do, and what I think it is the duty of every Treasurer to do, was to show plainly and clearly the state of the finances of the colony every year, while he was in the Treasury. When there was a deficit he showed it, and when there was a surplus he showed that; and that is the only way in which a Treasurer should bring forward his Statement. He did not pick up a sum which had been already appropriated by a special Act, and juggle about with that sum, making some things look higher by adding when they did not seem large enough, and subtracting when he did not want them to look large. I do not think that is the duty of any Treasurer, and certainly not of anyone who wishes to make a perfectly clear statement to this Committee of the actual financial position of the country. And then, sir, the Treasurer took a little fling at the late Government on the Treasury bills question. I am not aware that the late Government, at any time, either before or after I joined it, thought of using Treasury bills for the purpose of carrying on the government of the country. The Colonial Treasurer, when he spoke, knew perfectly well that he was talking rubbish. He knew that it was simply the means by which the money standing at the credit of the Railway Reserves was transferred; it was simply the means by which money standing at one account was transferred to another, to square the accounts of the year. The Treasury bills were never intended to leave, and never did leave, the Treasury; and the hon. gentleman knows that. It was simply the formal manner—the best manner—of transferring the money from the Railway Reserves Account to the Consolidated Revenue. I insist that what I say is true. Hon. gentleman may laugh, but I am perfectly satisfied that no Treasury bill ever left the Treasury. That is a very different transaction from coming down and saying that even if there should be a deficit the Treasurer will not be afraid to issue bills to supply the deficiency. I can assure the Colonial Treasurer that if he takes the trouble to inquire into the matter he will find what I have stated here to be exactly what occurred; and for the Treasurer to try and compare the two things—transferring an account, and using Treasury bills for the purpose of revenue—is absurd. They are two different things altogether. And even that addition to the Consolidated Revenue which was caused by the transfer of the sum taken from the Railway Reserves Fund—that he has treated as revenue of the year when it was transferred. Of course it has gone into the Consolidated Revenue, but it was not revenue produced by the colony during that year. He tries to show that there had been no decided increase in the actual receipts of the country during three successive years, and he therefore takes £245,000 added to the revenue out of the Railway Reserves Fund in 1881—he takes that as revenue received during the year. It was not revenue received during the year; it was simply an amount of money changed from one account to another, but by calling it revenue he showed, as it were, that we

had made less progress during the time the late Ministry held office than we actually had done. The fact is that the stride was so enormous from the time my hon. friend Sir T. McIlwraith became Premier until he left the Treasury benches that the Treasurer, by a little hoodwinking, tried to show that it was less than it was, and, therefore, reckoned this sum which was transferred from one account to another as revenue derived during the year. I was rather surprised that the Treasurer condescended to use such means for such a purpose. Now, sir, the Treasurer stated in his remarks just now that it was evident that the leader of the Opposition had no faith in the progress of the colony. That statement is very easily made; but what is it? It is what may be called "wind." But if we go to facts in connection with that statement we may come to the truth. How did he show his want of faith in the colony? He came into power at the beginning of 1879 with an empty Treasury, and he passed over two years with the Treasury still empty. But did he ever resort to taxation for the purpose of filling the Treasury? Did he not trust entirely to the resources of the colony? Was he not told by the opposite side that he was not doing justice to the country, because he would not put on additional taxation, for their own purposes? Of course they wanted the odium of additional taxation to rest on what was then the Government side; but the then Premier, the present leader of the Opposition, had far too great faith in Queensland to do anything of the kind. He knew how to use the resources in his hands. Did he show want of faith in the colony when, in spite of the depressed state of the finances, he insisted upon and carried through his large Loan Bill, or what was then looked upon as a very large Loan Bill? Did he show any want of confidence in the country when, while the finances were still in the most depressed condition, he entered into a contract with the British-India Company for the mail service, adding some £60,000 odd to our expenditure for the year? No, sir; he saw far enough ahead to know that expenditure in a proper direction would far more than recoup itself; and instead of adding—as probably the present Colonial Treasurer would have done if he had been in office then—to the taxation of the country for the purpose of putting the finances in a proper state, he trusted to a bold policy to resuscitate the colony from the depression in which it stood. And he did it in such a way that it will take the present Government a couple of years to ruin it. That they will succeed ultimately, I have no doubt; and when they go out of office I daresay the same process will be gone through as hitherto. There will be a deficiency for a year or two, then a few years' surplus, which will be handed over to the hon. gentlemen when they again come into power. I have heard with astonishment again, this evening, what the Treasurer said about the excise duty on spirits, and really I fancied that the hon. gentleman does not clearly see the effect of the Bill which he has introduced, and which, if passed, will considerably reduce the revenue from that source. The way in which he treated the matter was wonderful. He said that Queensland distillers did not care to supply the foreign market; that they preferred to supply the home market. Did anyone ever hear such trash? I believe they prefer to supply the market that pays them; they do not wish to supply the foreign market, because they cannot make it pay. Does anyone suppose that a person in any kind of business has a preference for one place more than another, except that in one place his business pays him better than in another? Spirits going out of the country come into direct competition with spirits from England.

The latter are brought a long distance, and handled two or three times, and yet people prefer to buy it to Queensland rum. It is of no use the hon. the Treasurer telling us that distillers prefer to supply the home market; they prefer it because they cannot compete with any other. We will see what will be the effect of his Bill. The duty on 20,000 gallons of foreign spirits imported into the colony would be 2s. a gallon more than on the colonial article, so that the revenue would be defrauded of 40,000 shillings. The Bill, if passed, will actually deprive the revenue of that sum which the Treasury has this year received from duty on foreign rum. The receipts from Excise in this particular will be decreased instead of increased, and the hon. gentleman may depend upon this: that distillers will distil whenever they can make it pay. The hon. gentleman further says that molasses, which now go to waste, will be exported from Queensland. But I would remind him that they are now making golden syrup from molasses, and that persons in various places are buying Queensland molasses for that purpose, and that the planters actually get a better price for it than if it were made into rum. The hon. gentleman seems to think that the Bill he introduced is part of a progressive policy. If that is a sample of his progressive policy, I think the sooner he retraces his steps the better. The hon. gentleman spoke in a most hopeful way about the increase in the revenue from railways, although he himself gave us figures to show that whilst the receipts would be 21 per cent. more than our income from the same source last year, the expenditure would be increased 28 per cent. That of course is proof that even if he gets the whole sum he anticipates, yet, with the larger expenditure, the balance will not be so great. It will evidently lower the value of our railways, unless the Government can find some means of cutting down the extravagant estimates of the Minister for Works, and I do not think that would be a difficult thing to do. It appears to me that they have been framed in the most lavish manner. In my opinion we have no right to be generous before we are just; we ought to extract all we can from our railways before we increase our expenses in the way shown by the estimates of the Minister for Works. We have had a bad season, and the number of sheep out west has diminished, and we must expect to have a smaller amount of increase this year than we had last in the railway revenue of the colony. I do not exactly agree with the hon. gentleman in his observations on what my hon. friend the member for Mulgrave said about the ten-million loan. I did not understand my friend's remarks in the same way as the Colonial Treasurer did. The hon. member for Mulgrave did not disapprove of the amount of the loan, but of the hands into which it would fall. I did not hear a single word in the hon. gentleman's speech to lead me to believe that he disapproved of such a loan, but he stated distinctly that the present Government could not possibly be in power to expend it. He said that it was the duty of the Government to provide the funds necessary for public works. But here, according to the Colonial Treasurer, the Government is going to take upon itself to provide not only for their own wants, but also for the wants of the colony for some years. I disagree entirely with his statement that my hon. friend at all concurred in the propriety of doing that. In fact the hon. member for Mulgrave deprecated it altogether. The Colonial Treasurer finished his speech with an eloquent peroration, in which he stated his belief that if the colony had progressed well during the last few years that was as nothing compared with what

would be its progress under the new *régime*. Well, sir, for my own part I should be excessively glad if it was so. Whatever advances the prosperity of Queensland must be an advance in my own private interest. When a country is depressed the individuals composing that country suffer, and when the country is progressing we all—each of us individually—are in a more prosperous state. I therefore sympathise most completely with the hon. gentleman's statement, but I am sorry to say I do not agree with him. I do not believe that there is the slightest sign at the present time that the country will progress faster than it has done for the past three or four years. On the contrary, I am inclined to believe that the combined rashness and the combined lightness of the hon. Colonial Treasurer—the light way in which he talks about borrowing ten millions, and about issuing Treasury bills—I am inclined to believe that before the next three years are over our heads the colony will have gone back again. I believe that will be the result; and it is a result to be regretted very much. If the Financial Statement laid before us is calculated to give us any evidence of the manner in which the business of the country is to be carried out, I doubt very much that there will be any such progress as the Colonial Treasurer seeks to have us believe, or that it can in any way assure us that the country has the slightest chance of making any greater progress. I know that during the time I was a supporter of the hon. member for Mulgrave, long before I joined his Government—during the whole of that time he never introduced a single measure into this House which showed that he had confidence in the country, and intended to advance its interests, that was not opposed by the gentlemen on the other side, then sitting upon this side of the House. Facts are infinitely more potent with me than words, and men who opposed every measure brought into this House for the purpose of advancing the interests of the colony are not the men who are likely in their own persons to propose and carry out a progressive policy. They may carry out a rash policy, and jump at a loan of £10,000,000 at once and use it for purposes to which it ought not to be applied; but that is not a progressive policy. It is not a progressive policy to borrow money before you want it. A progressive policy is to make the best use of all your resources, and in such a way as to get the most out of them. We know that in his statement the hon. member has shown such rashness, and we are familiar with the way in which, when he occupied his present position before, he showed so much weakness; and these combined effects are far from inducing me to believe that during the present *régime* the colony will make any decided advance.

Mr. NORTON said: Mr. Fraser,—I am sorry that the hon. member has not one friend on his own side to get up and defend him. I am extremely sorry for that, but I notice that ever since this Government came into power there has been nothing but silence amongst those gentlemen who support them. There has scarcely been one measure of importance introduced by the present Government that has received the verbal support, at any rate, of hon. members opposite; and under these circumstances there is no great reason to be surprised that not one member on the Government side now gets up to support the hon. Treasurer.

The Hon. J. M. MACROSSAN: They cannot. They do not understand it.

Mr. NORTON: I do not intend to say very much on the subject.

HONOURABLE MEMBERS: Hear, hear!

Mr. NORTON: I daresay hon. members are very glad to hear that. There is a matter I

referred to some time ago, and the Colonial Treasurer has given me another opportunity of referring to it now. I shall make use of this opportunity, in order to point out that in the flat contradiction he gave to me he was entirely wrong. The matter I refer to is with regard to the floating of the late loan. I daresay the Colonial Treasurer will remember that in speaking upon that subject I pointed out that, although he professed to have been so exceedingly anxious to get the loan floated on the first possible opportunity, and although he blamed the late Government for having, through the arrangements made with the financiers at home, bound this colony not to float another loan for a certain time—although he professed to be so anxious about that, I said at the time that he did not take the earliest opportunity he had of placing that loan upon the London market; and the consequence of his dilatoriness in connection with it was that the South Australian Government, who were in a far worse position than we are, and who, under ordinary circumstances, should not receive anything like the same value for their money as we should have received for ours, were able to go in before Queensland and place their loan first, and take up the surplus money in the London market; and by that means place us in a position which compelled us to accept a much lower rate than the South Australian Government received for their loan. The Colonial Treasurer, in speaking of this matter in his Budget Speech the other night, said:—

"And it must further be observed that, whereas with sales of our stock since 1879 a promise had been volunteered that no further sales of Queensland loan issues should be made for at least one year from the date of such sales"—

This, of course, is throwing the onus upon the late Government as far as he could—

"a promise which, as I have previously pointed out fettered our action in last January, and continued to bind us till the 9th of May of this current year—no similar promise formed a condition of the last loan sale, neither did the price received suffer thereby; and the Government are now, therefore, free to act, and may immediately deal with such future loans as Parliament shall, during the present session, authorise to be issued."

Now the hon. member admits here that the Government were fettered until the 9th of May. On the 9th of May he was not. On the 9th of May the South Australian loan had not been announced in the market.

The COLONIAL TREASURER: It was known that it was coming.

Mr. NORTON: It was known that it was coming on, and for that reason the Colonial Treasurer should have been in a greater hurry to put his loan on the market. The first news of the loan we have comes through telegrams from London, and the first is dated London, 8th of May—that is, a day before the loan should have been issued—and was as follows:—

"A new Queensland loan will shortly be announced."

On May 12th we have another telegram sent out:—

"Tenders have been invited for a South Australian Government loan of £1,650,000, bearing interest at 4 per cent. The loan is issued at par, and tenders will be opened on Tuesday next, 25th instant."

The first we hear of this South Australian loan is by telegram dated "London, 12th May." On the 12th of May our loan might have been floated if the hon. the Colonial Treasurer had been ready. If he had taken the steps he might have taken, the colony might have secured the great advantage he professed he was so eager that we should avail ourselves of. On the 13th May the next telegram is sent out:—

"A new Queensland loan of £2,750,000, bearing interest at 4 per cent., will be announced next week."

So the intention was to announce what this Queensland loan would be some days after that—about the time the South Australian loan was actually floated. On the 22nd May a further telegram was sent:—

“The issue of the new Queensland loan of £2,750,000 recently announced, has been postponed for a few days. The minimum price will be fixed at 96.”

That 96 was a mistake, as was pointed out afterwards; it should have been 98. This was postponed because the Colonial Treasurer, by dilly-dallying and hesitating, allowed the South Australian Government to come in and take the floating money off the market. As I pointed out at the time, South Australia—with a population not much larger than ours, and with a very heavy debt—with a deficit of somewhere between £250,000 and £300,000 at that time, which was increased to about £400,000 by the end of the financial year—was able to go to the London market, issue a loan at par, and float it at £100 6s. They had not only a great deficit at the time, but had arrived at no means for wiping it out. The Government of the day had proposed to the House certain financial reforms, but the House had practically rejected them and they were withdrawn by the Treasurer. They submitted another measure, and at that time it was almost certain that the Government would be defeated. Shortly afterwards there was a general election, at which the Government were beaten; and at the time the South Australian loan was placed on the market, not only was it not known what provision would be made to meet the interest, but actually how they were to provide for the deficit in their financial year. The hon. member tells us the value of the South Australian loan was reduced because interest had to be paid upon it from a certain time. Accepting his own statement with regard both to the value of the South Australian loan and of the Queensland loan, even then there is a balance of 5s. 2d. in favour of the South Australian loan as against ours. Notwithstanding what I have said with regard to the wretched financial position of South Australia, we here, with a surplus balance of £310,000, had to go into the market and accept a lower price than they got for that South Australian loan. Yet the hon. member had the face to come forward in this House and complain that it was owing to the action of the late Government that he was not able to bring this loan forward sooner, and that by that means the South Australian people got in before us. It was simply owing to his own dilatoriness with regard to the matter. If he had taken the action he might have taken, the loan might have been put on the market and floated before the South Australian loan was announced. Now, sir, I have a few words to say with regard to these railways. I notice that the hon. gentleman estimated the total receipts from the railways for this year at £122,359 more than was received last year. How in the name of conscience does the hon. member arrive at the conclusion that we shall get anything like that? Does he not know that the receipts from our railways depend very largely upon the number of sheep in our outside districts, whose wool has to be brought down by these railways; and upon the amount of goods carried from Brisbane in return? Knowing that, does he expect for one moment that we shall be in anything like the same position in another year in respect to the number of these sheep, as we were last year? I wonder if the hon. member has looked at the agricultural returns just issued. If he looked at those returns he would see that the number of sheep in the colony at the end of 1883 was more than half-a-million less than it was the year before. Eighteen months ago, sheep were pouring into the country in tens of

thousands, but during the year 1883 there was a decrease of 535,000 sheep, and also a decrease of 78,000 cattle. But the decrease did not stop there. It has been going on ever since, and is going on at the present time in the western districts, so that at the end of 1884 the number of sheep in Queensland will probably be about a million and a-half less than at the end of 1882; and I think I am taking a moderate view in estimating it at that. So when we consider that the railway receipts are largely derived from the carriage of wool and of goods going to the stations—material for fencing and other work—we must know that, as a matter of course, the revenue from the railways will be materially reduced—both from the Northern, the Southern, and the Central. There will not only be a reduction in the amount of wool carried, but also in the material which has been going out to the stations. So long as matters were prosperous, the owners of these stations were taking out immense quantities of fencing wire and other material for improvements; but that has been stopped. It has been stopped, not because they have no desire to go on with it, but because of the immense losses that have taken place—because the requirements of the owners have been reduced by the introduction of a Bill which materially affects their interests; and because their losses have placed them in such a position that they are not able to go on with the improvements at the same rate as before. So that as a matter of course the increase would not amount to anything like the same as it did last year. I do not believe hon. members on the other side have really considered what the effect must be; but in spite of that the Colonial Treasurer has put down the probable estimated increase of receipts at £122,000, and at the same time the increase in the expenditure in connection with our railways, as shown by the Estimates, amounts to nearly £99,000; an increase, that is, in one year, of nearly £100,000. Why, it is something enormous. One can hardly credit it, without looking at the Estimates that have been laid on the table of the House, that the railway expenses should be increased to anything like that extent. Sir, the leader of the Opposition, when he was speaking a short time ago, pointed out that the gentlemen who are now occupying the Treasury benches, and when they were in power before, always increased the Estimates-in-Chief by a very large sum indeed when the Supplementary Estimates were brought in. But there was one thing he neglected to point out; I believe he must have forgotten it. Not only did that expenditure increase very enormously, but the Estimates did not come up to anything like the amount that the present Colonial Treasurer expected. Why, in 1878-9 the hon. member estimated his receipts at £1,694,500, but the amount actually received was £1,461,823. The amount received was actually £232,677 less than the hon. member's estimate, and yet, in speaking to those Estimates the hon. gentleman said, in going through some of his figures:—

“I am confident, therefore, not only from the analysis of the respective heads of receipt, but also from the ratio of increase annually exhibited in revenue, that my estimate of £1,694,500, which only expects an increase of £123,247 on the preceding year, will be fully sustained.”

The hon. member expected that his estimate would be fully sustained, and at the end of the year the extreme receipts were £232,677 less than he expected. Well, that is not an isolated case. The next year the hon. gentleman produced his Estimates again, and he represented that the receipts in the Treasury for that year would be £1,658,000; but the actual receipts were £1,492,000, leaving a deficit of £175,507. Now, is this the hon. member whose estimate we have to take?

The COLONIAL TREASURER: What about 1879-80?

Mr. NORTON: I have nothing to do with that. I am giving the hon. member's own statement of the revenue and the money which was actually received. I cannot do more than that. That is about as fair a thing as I can do. I dropped across these facts accidentally, and I have given them to the Committee, because I thought the hon. gentleman would like to be reminded of them, for he is so exceedingly sanguine. When he was telling us what the revenue was to provide, I could not help thinking that if this old estimate of his had been brought before him, possibly it would induce him to pause and consider the figures he was introducing to the House. Well, if we go on at the same rate that the hon. member did on a former occasion, I think, instead of having this surplus of £40,000 odd at the end of the year, we are likely to have, with the Supplementary Estimates added to what has been placed on the Estimates-in-Chief, a large deficit, and the deficiency will be something like £300,000 less than the surplus the hon. member expects. I think, under the circumstances, we are quite justified in hesitating before accepting the Treasurer's statement as a really justifiable one. There is one other subject I wish to refer to, and it is a subject which is rather painful to some people. In speaking of the drought having passed away, the Colonial Treasurer said to us:—

"The severe season under which pastoral settlement has suffered of late will have prepared hon. members for results showing absence of increase. It is, however, gratifying to know, from information supplied by the Chief Inspector of Stock, that at the present time the whole of the eastern coast watershed—carrying 1,800,000 cattle—has completely recovered from the drought of last year, and although, in places, water is not plentiful, feed is in abundance."

I wonder where the hon. gentleman or the Inspector of Stock found that out? Is the hon. member's memory so exceedingly short that he forgets the object with which a deputation waited upon him less than a month ago? Does he not remember that those gentlemen came down here and went to him to ask him if he could assist them in any way in providing water for the town of Gladstone? Does he forget that he promised to send up tanks in order that they might not be kept absolutely without water? The hon. member was told by that deputation what I know to be perfectly true—that the creeks in the neighbourhood have not run for over two years. I am speaking now of the coast—the eastern seaboard to which the hon. member referred. Now, I can tell the Colonial Treasurer that on the eastern seaboard there was a pretty heavy fall of rain in a great portion of the district of Port Curtis in January, but since then there have been nothing but light showers, and the whole of that country is as dry now as it was during the worst period of the drought. In some places it is more dry, but I take the whole district from Port Curtis up to the valley of the Fitzroy, and I say that thousands of square miles are in quite as bad a position as they were at the worst time of the drought in December and January. Yet the hon. gentleman is so ill-informed in regard to this matter that he comes down and tells us, on the authority of the Chief Inspector of Stock—who I am sure made no statement of the kind—that the drought on the eastern seaboard has broken up. What can we expect from a Treasurer who makes such statements as these? It has been pointed out that he has made mistakes in other parts of his Budget Speech, and if we are to take those as instances of the kind of mistakes he does fall into, I say the whole Statement throughout is unreliable. The people in the district referred

to, who have read the hon. member's remarks about the drought having broken up, will come to the conclusion that the Colonial Treasurer of the colony at any rate takes very little interest in them or their concerns. If he knows so little of the colony as to speak of that important district in the manner he did in his Statement, the only conclusion people can come to is that his interests are so closely bound up in Brisbane that he does not care a rap about any other parts of the colony. There are some other matters to which I might refer, but so much has been already said that it is unnecessary for me to continue the discussion further.

After a pause,

Mr. STEVENSON said: Are they all muzzled on the other side, Mr. Fraser?

Mr. BLACK said: I think it is a most extraordinary thing that the Government and their supporters should allow an important debate like this to go with so little discussion. Up to the present time we have had nothing but a Statement made from the Government side setting forth their views as to the future financial policy of the country, which views have naturally been controverted by ex-Ministers. The latter endeavour to make out that the late policy was the right one and that the present policy is the wrong one, while the former make out, as far as they are able, that the exact reverse is the case. But we have had very few really practical speeches on this very important subject. By practical speeches, I mean speeches getting away from this vast array of figures that we have been favoured with, and showing us in what way the hopes of the Colonial Treasurer are likely to be realised as far as the general prosperity of the people of the country is concerned. It is a most lamentable fact that, with the large majority of able and clever men sitting behind the Treasury benches, none of them are willing to get up and express their views either in support of, or differing in some slight degree from, the views held by the Colonial Treasurer. I had not intended to say very much on the subject, but as the supporters of the Government do not seem inclined to speak, I may be permitted to express my views on one or two matters connected with the Statement. The Colonial Treasurer told us that he had reason to look forward to a large development of our industries. In that simple statement, if it is correct, there is matter for congratulation for all the people of the colony, and more especially for the working classes, who, I take it, are those who contribute the largest amount to our revenue in the shape of taxation; but the Committee has had no proof whatever to justify the sanguine view which the hon. gentleman has taken. As our future prosperity really depends upon the development of our industries, I am sorry to say that I feel compelled to take exception to that statement, and to state that from present appearances there is nothing whatever to justify this Committee, or the people of the country, in thinking that the future development of our industries is as certain as the Colonial Treasurer would lead us to believe. I assume that the hon. gentleman, when he used that term, referred to our great producing industries, of which I think we may say we have three—the pastoral, the mining, and the agricultural. I do not think that any hon. member, no matter on which side of the Committee he sits, will say that we have any reason to believe that the development during the current financial year of our pastoral industry is likely to be a great one. On the contrary, I am sorry to have to say that I think our pastoral industry will show a very serious decline during the current year. What reason have we to believe

that the production of wool, or cattle, or sheep, is likely to be sustained? On the contrary, we read every day in the papers news of the increasing loss of stock; and loss of stock not only means a reduction in the increase of stock, but a decrease in our export of wool. In fact, the financial loss of those engaged in pastoral pursuits in Queensland is likely to be a source of very serious embarrassment, not only to them, but to the whole colony. I cannot understand how the Colonial Treasurer, having all these facts fully before him, and having connected with him a gentleman—I refer to the Minister for Lands—fully versed in the pastoral condition of the colony, and who, from his long experience, knows the full bearing that the seasons must have on that industry as a producing industry—could have made such a statement; nor can I imagine how the Minister for Lands can sit there quietly and hear the Treasurer say that he has every reason to look forward to a large development of that particular industry. We have not only got the effects of this dreadful drought to look fairly in the face, but also the action of the Government in connection with the future land policy of the country. It is not necessary on this occasion to say whether that policy is likely to result in success or not, but any impartial observer will see at once how that policy has unsettled everything in connection with the squatting industry. The holders of our pastoral lands, and those from whom they have received financial assistance, look with great suspicion upon the present policy of the Government, and the consequence is that financial assistance is to a great extent withheld, owing to their only security having been absolutely destroyed. No matter how that policy may ultimately result—whether for good or for bad—there is no doubt that the chief producing industry of the colony is at present undergoing a very severe crisis indeed. The Government, in my opinion, have no reason whatever to look forward to any augmentation of revenue for the next twelve months—of course we are only discussing the financial proposals for that period—they have no reason, I say, to look forward to any assistance to the revenue from our chief producing industry. But I am glad to say that there is another industry which we may reasonably consider to be prosperous—I mean the mining industry. That, however, is not an industry which contributes a large amount to the revenue. It, of course, affords employment to a large number of people, and through the indirect taxation of these people we get an addition to our revenue; but it does not, like the industry connected with the occupation of land, add considerably to the revenue. I find, in looking at the Estimates, that the revenue from mining occupation is only estimated at £13,000. Our total land revenue is £635,000, and out of that the mining occupation of land only gives £13,000. I think, therefore, I am right in saying that in that respect the mining industry is not likely to give any great addition to the revenue. Then we come to another producing industry—the agricultural. I am glad to find that in the southern portion of the colony the farmers are likely to have a far better season than they have enjoyed for some years past, and I am sure that everyone who has that industry at heart will be glad that it is so. But I do not think that, beyond affording a moderate living to those who are engaged in the industry in the southern portion of the colony, it will add very much to our revenue so far as the export of produce is concerned. At present they are endeavouring to supply the southern portion of the colony with wheat and flour, and that will be an undoubted advantage, because every ton of wheat and flour which can be locally

produced means so much money saved to the colony, which would otherwise be sent away for the purchase of those commodities in the southern colonies. But in order to establish our reputation with the world—in order to be able to go to the financiers at home to borrow those large sums of money which from time to time are necessary in a progressive colony like this—we must be in a position to show that we can produce something to export to enable us to pay the money we borrow. Agriculture, therefore, when it produces something to export, benefits the colony. But I say that that industry is now in a very depressed and languishing state. That, of course, has been brought about by a variety of causes, many of them outside the colony—notably the enormous increase of beetroot sugar on the continent of Europe, which is being felt not only here, but in other parts of the world. The agricultural industry, I say, is undergoing a period of most severe depression, and amongst thinking men it is a question whether it is not destined to succumb as rapidly as it came into existence. I am sure that everyone who has the welfare of the colony at heart will deplore the possibility of such a thing taking place. It is not necessary, on the present occasion, that I should refer to the means that would alleviate this possible contingency; but I maintain that it is just as well hon. members should know of such a possible contingency, and that, in consequence of the extreme competition we are being subjected to through the beet-root crops on the continent of Europe, that industry which up to the present has done more than anything else to bring Queensland into notice as an agricultural colony is likely to succumb, as I have already said, as rapidly as it came into existence. I am therefore justified, I think, in saying that the remarks of the Treasurer, on which he based his very glowing expectation of revenue—on which he bases his justification for going into the home market and borrowing no less a sum than £10,000,000—are not borne out by actual facts. I take exception to the grounds on which he based the whole of his argument. I am very much afraid that instead of the moderate surplus which he anticipates—the excess of revenue over expenditure to the amount of £44,841—the colony will do remarkably well if, during the next twelve months, the revenue is maintained to even as much as it was for the past twelve months. I have carefully looked through the tables of Ways and Means on the 6th page of the Estimates, and I think the Treasurer seems to doubt the possibility of the people of the colony continuing their former rate of taxation, because, notwithstanding that there was an increase of revenue from taxation between 1882 and 1883 of £99,000, he only estimates the increase from the same source for the current year at £58,000. The hon. gentleman must bear in mind that we may expect an increase to the population from immigration, and excess of arrivals over departures, of certainly 20,000. Last year the increase was 30,000; but I am putting it down at only 20,000 for the current year, because I think there are many causes in operation in the colony at present which will not induce population to come here as rapidly as it has done in the past. Now if we only are to have an increase of £58,000 in the Customs, whereas we are certain to get an increase of 20,000 to the population, all of whom will contribute to this branch of the revenue at the rate of over £3 per head, it seems to me that the Treasurer is somewhat nervous as to how the prosperity of the colony is going to affect the people, in so far that they will not be able to pay the same amount of taxation that they have hitherto been paying. And, sir, if I am right in assuming that he does

hold that view, I think he has very good ground for so doing. There is no doubt that a period of depression is slowly but surely coming over the colony. Hon. gentlemen in this House are, of course, naturally sanguine, and wish to put everything in the best light before the country, and, possibly, before their constituencies; but, sir, I wish my remarks to be as practical as possible—I do not wish to shirk the position; and I say that the working men of the colony are already feeling the weight of depression. I also know that the mercantile men, of whom there are many in this House, are feeling it. If you ask anyone in the country the same question, they will endorse what I say—that the colony is not in the prosperous state the Colonial Treasurer would lead us to believe it is in bringing forward this very sanguine estimate. Ask the merchants here if trade is as good as it was twelve months ago. They all shake their heads and say they fear bad times are coming. Look at the list of our insolvencies! Look where we will, we find in all directions that we are not as prosperous as we were. Ask any working men in Brisbane or in the northern portion of the colony whether they are as prosperous now as they were a few years ago, and they too will shake their heads and tell you they fear there are bad times in store. Although we may still see people spending money, and buying small allotments on every opportunity, I feel satisfied they are not buying them out of present earnings, but out of the savings of the past few years. Although I have no positive reason for saying so, I believe that we shall find the deposits in the Savings Bank—which form the real test of the prosperity of the working men of the colony—will during the next twelve months show a very serious falling-off indeed. I have had no opportunity of ascertaining what the returns are, but from conversations I have had with various classes of colonists, and from the many years' experience I have had in the colony, I am positively convinced that the prosperity of the colony is undoubtedly on the wane from many causes. Possibly climatic causes may be amongst the chief; but that we are on the eve of what is generally known as "bad times" I do not think can be denied by anyone who has taken any interest in the affairs of the Australian colonies during the past. Look at our coasting trade! Let any hon. gentleman inquire from shipping firms, and what do they tell you? They will tell you that twelve or eighteen months ago they could hardly find ships enough to convey goods from one port to another, but that now vessels are travelling in many cases half empty, and in some cases quite empty. At present there is a bit of a stir along the coast, bringing down produce from the Northern ports, to be distributed in various parts of the South. There is no doubt that during part of the year the sugar industry alone supplies a large shipping trade. It will be something like 40,000 tons this year; but that will be all over by Christmas, and then what is going to take its place? I cannot look to a single place along the Northern coast where there are any manifest signs of that prosperity which prevailed a couple of years ago. It is all in vain to tell people that they have been going on wrong lines. You may tell them that, and some hon. members may think they know more about business of the kind I refer to up north than the people of the North do themselves; but, sir, the fact remains that confidence is so utterly destroyed that it will take years to re-establish it; and in the meantime the revenue—which is what we are discussing to-night—must undoubtedly suffer. If the people are prosperous the revenue thrives and prospers also, and it reacts, of course, upon the Gov-

ernment. I consider, sir, that the present Government are in a most unenviable position. Everything seems warring against them. Providence even seems against them, and they are now giving themselves the final kick, which, before very long, is undoubtedly going to bring them to ruin. As a matter of fact, the people outside do not care what is the policy of the Government. What the Government have to do is to keep the people prosperous. Directly the people begin to feel their prosperity is waning, they ask, "Why is this? How is it that during the five years of McIlwraith we were all doing so well, and now the moment there is a change we are not making as much money as we were doing?" That is the way the working man looks at it. I do not believe he cares very much whether it is McIlwraith or Griffith who is in power. What he wants is prosperity to himself, and he believes in the party, no matter who they may be, that bring that prosperity. I am not posing as the working man's advocate, but we all know that it is the working man who pulls the strings at election times; and as long as he sees he is prosperous he is perfectly satisfied. Many of them do not know who are the members of the House, or whom the Ministry are composed of. But let them feel the bad times are coming; let them feel that their employment is going to be cut from under them by the colony being flooded with the class of labour which is to compete with them, and they will at once turn round, and the inevitable result will come about—that they will turn upon the Government in power. I believe, myself, that the Government foresee this to some extent—that a good deal of what I have said has already occurred to the Government; and what do they intend to do to counteract this bad tide which they see coming over the whole colony? I am sorry to say, sir, that I can call it nothing else but a gigantic bribe—a bribe of ten millions! The amount, sir, is ludicrous to my mind, because it is entirely unnecessary. There is nothing in the present prosperity of the colony to justify any Government bringing forward such a loan. Why, sir, there was nothing in the prosperity the colony enjoyed three or four years ago that would have justified the late Ministry in talking about such a thing as a ten-million loan. The present Government cannot possibly spend ten millions in the time they are likely to occupy the Treasury benches. Already twelve months of their term have passed over, and if they pass their Triennial Parliaments Bill they will have only two years more to go. But they are not going to pass it. They do not wish to do so; and, giving them the very most they can be given, they have only four years more to remain in office. I do not begrudge them their seats, because I believe they are doing their best. But, assuming that they remain four years longer in office, they cannot possibly spend these ten millions; and it appears to me nothing less than a bribe to the constituencies. I am quite prepared, when the Loan Estimates are brought down, to see in the schedules distributing these ten millions that the electorate which I have the honour to represent is getting a very large share of this sum. I have no reason for saying so, but I can very well understand it; and I believe that every member in the House will get a share of it for his constituency. That is the only chance the Government has; and I say it is a most corrupt way of bribing the constituencies. As I have said already, the present Government cannot possibly spend the money during their term of office; and it is monstrous to suppose that the next Government should be crippled by their action. All they could do would be to carry out the policy of their predecessors; but the mere fact of a change of Government means a

change of policy, and when the next Government come into power they must again propound their own loan policy. But, sir, the Colonial Treasurer has not told us why it is necessary to borrow these ten millions. I think the mere statement that he proposed to borrow £10,000,000 should have been accompanied by a schedule of the work to which it was proposed to apply the money. I do not think, as I pointed out, that the prosperity of the colony at the present time is such as would justify the investing public at home in freely coming forward to subscribe to this £10,000,000, for there is no doubt that the present Government do not stand well with the investing public of the world, and the hon. gentleman knows that very well. The hon. gentleman's policy, in my opinion, has been the Berry principle of Victoria. Mr. Berry, a few years ago, adopted—in fact, he set the Premier the example of denouncing capital. The capitalist, or the speculator, or the syndicate, or anyone who had any more than the ordinary run of people, was denounced in Victoria, and the consequence was that at the time of "Black Thursday" Mr. Berry adopted a policy which drove the whole investing public of Victoria out of that colony, and they came up here. That was the first thing that gave Queensland a start under the last Ministry. It was the adverse policy of Victoria towards capitalists that drove them up here; they found that they had better opportunities for investing in Queensland than in Victoria, and the consequence was that they came up to Queensland, and Victoria regretted it. The present Government has been doing just the same. Its policy has been the reverse of the policy of the previous Government which encouraged men of means, and which believed that capital and labour must go hand-in-hand, and that you cannot benefit capital without benefiting labour. But the present Government has reversed that policy, and by their denunciations of capital and their denunciation of everyone who wishes to foster and develop the industries of the colony, and anyone who happens to succeed, as a foe to the best interests of the country, they are forcing capital to be held back. There is no new capital being invested in Queensland, and I maintain that the effect of this policy will be felt when the British investing public are told that they are to be asked to tender for a loan of £10,000,000, and that their security was in no way improved from what it was under the previous Government, that was always content with a three-million loan, which was the highest they ever asked for. I said just now that I thought if we maintained our present revenue—that is, the revenue of the past year—for the present year, it would really be almost as much as the most sanguine could expect. I cannot see where the increase is to come in. There has been a terrible decrease in the land revenue. Even if the Minister for Lands gets his Land Bill through, it cannot possibly come into force before the 30th June. Assuming that it came into force on the 1st January, the squatters are allowed six months within which to surrender their runs. It is not to be supposed that anyone will surrender a single day before he is compelled to do so, because, if he does, his run, which averages 9s. per square mile, is at once raised to £1. He has nothing to gain by it; so that no business man will do so before the 30th June. It is impossible that any increase can accrue to the revenue from land. Again the policy of the Government is such that sales by auction are being suspended to a very great extent. I believe the Minister for Lands has relented a little; I suppose he wanted money for the Treasury, and the Treasurer brought some pressure to bear. He has been already to

a certain extent reversing the policy which he was going to stand or fall by. There is no conditional selection going on, at least not to a very great extent; nothing like there was in past years. The colony seems to be paralysed so far as that is concerned. It is a singular thing that the only land selection which has been going on to any great extent during the last two or three months has been in homesteads. In the district I represent I find that everyone is going in for homesteads, and quite right. I am very glad, because I always denounced the present Land Bill, as it will take away the very inducement which brings immigrants to the colony—that is, the getting of a freehold. The moment the Minister for Lands laid his Land Bill on the table there was such a terror amongst the people that everyone who could get a homestead has got it before the injurious policy of the Minister for Lands was going to shut him out from ever getting a freehold. That is a very significant fact, but it is a plain fact. I wish to point out that the colony is not in that prosperous state which would justify the Treasurer in bringing down this Statement. I maintain that it is not, and that the feeling of distrust and suspicion amongst all classes in the colony is bound to react upon the revenue during the present year. If the revenue for the colony remains for the current year the same as it was for the last year, we shall have done very well indeed, and the Treasurer will deserve credit for having tided the colony over a very critical period of its history. If he does that what will be the result?—that instead of this surplus of £44,841 there will be an actual deficit of £137,000! That is assuming that there is no falling-off in the revenue. In a progressive colony like this, there should not only be no falling-off, but there should be a positive increase. The colony could absorb 30,000 immigrants a year; we did that last year; and, as the Treasurer said the other night, every individual in the colony contributed £9 to the revenue, then 30,000 people coming to the colony would increase the revenue by a quarter of a million. There could be no possibility of a decrease, and even accepting the Treasurer's statement that there will be a possible increase of £44,000 in the revenue, that is altogether inadequate to the increase the colony might reasonably expect. There is evidently something wrong if the hon. Treasurer can show only such a small increase as £44,000, when he says we can look forward to a large development of all our industries. It is the greatest farce to tell us we have any reason to look forward to anything of the sort during the next year. There is an increase in the expenditure of no less than £233,000, and there is nothing in the present state of the colony to justify that enormous increase. There is one matter, sir, to which I would refer—one to which the hon. member for Blackall referred briefly—that is, the proposed alteration in the excise duty on colonial rum. Of course I shall be, when that Bill is brought on, quite prepared to refer to it; and I think it is only reasonable that a certain amount of assistance should be given to develop the whole of our colonial industries. But, sir, I would point out a matter which very likely has escaped the notice of the Colonial Treasurer in connection with that question; and that is that the falling off in duty has been to a great extent, though not wholly, brought about by the fact of a new industry having sprung up, in consequence of which, molasses, which formerly went into consumption at the distilleries, finds a very much better market out of the colony than ever it found in the colony. In fact, to put the thing practically, I may say that, whereas

distilleries were in the habit of paying 15s. for every hundred gallons of molasses for distilling, manufacturers of golden syrup and other products, in Victoria and New South Wales, are able to give the planters 25s. for every hundred gallons net, the consequence being that the distilleries are unable to compete with the new industry. If the Treasurer will examine into that he will find it has a great deal to do with many of the distilleries—especially in the southern portion of the colony—being closed. I shall not say any more on the question, but I hope some practical men on the other side will give us the benefit of their opinion on the practical bearing of the Financial Statement of the Treasurer on the colony at large.

THE HON. R. B. SHERIDAN said: I rise, sir, to say a few words on this very important subject. I have listened with much attention to the speeches this evening, and the conclusion to which I have come I will briefly state. I have heard members on the other side repeatedly state that it was entirely owing to the bold policy and high character of their leader (Sir T. McIlwraith) that the present Colonial Treasurer was able so successfully to float the last loan. Now, I deny this altogether; and I will give my reasons for that denial. I am of opinion that, first, it was owing to the repeal of the British-India Coolie Bill, and the preventing of that race from coming to this country, and elbowing, as it were, the white man out. That, sir, is my first reason why the loan was floated so successfully. My second reason is, the prohibition of Chinese coming to this country, and—in the same manner as the British-India coolies—elbowing out the white man. That, sir, is my second reason. My third reason is perhaps of more importance still; and that is, the issue of regulations for the suppression of the Polynesian slave trade, thus saving the British Empire from having the foulest blot that could possibly be placed upon a nation by one of her youngest colonies becoming literally a dealer in slaves. That, sir, is my third reason. My fourth reason why this loan was so successful is that we were able to frustrate the machinations of the “Transcontinental swindle.” I cannot speak of that circumstance in any other manner than in the belief that it was an invention for the purpose of carrying out the greatest swindle ever perpetrated in any country. That, sir, is my fourth reason. My fifth reason is, that it was proposed to introduce a Land Bill which would enable a white population from every country in Europe to settle down in the colony, and find a home and plenty. That, sir, is my fifth reason. My sixth reason—

Mr. STEVENSON: Don't number them!

THE HON. R. B. SHERIDAN: I will give the numbers. I have taken the hon. member's number long ago. My sixth reason is, that the present Government are not a race of speculators. They go before the country as honest men; they do not go to England for the purpose of carrying out their own affairs, and then come back and try to make people believe that they were working in the interests of the colony while they were absent. My seventh reason is, that the present Government have a bold public works policy, a policy which will cause expenditure of public money in the colony, and a policy which will improve the country. My eighth reason—and nearly, though not quite my last—is that we have been able to expose the machinations of “Ali Baba and the celebrated Forty Thieves.” That has been mentioned several times, but it cannot be too often repeated, because it is patent to everyone that the little game of the great “Ali Baba and the Forty Thieves” has been exposed. But the last

and strongest reason comes now; and that is, that we were able to turn out the late Government; and I believe that is the reason why the loan was so successfully floated, and that the other large loan contemplated will be quite as successfully carried into effect.

Question put and passed.

On the motion of the COLONIAL TREASURER, the CHAIRMAN left the chair, reported progress, and obtained leave to sit again tomorrow.

LOCAL AUTHORITIES BY-LAWS BILL —COMMITTEE.

On the motion of the PREMIER (Hon. S. W. Griffith), the Speaker left the chair, and the House resolved itself into a Committee of the Whole to consider this Bill in detail.

Preamble postponed.

Clause 1—“Interpretation”—passed as printed

On clause 2, as follows:—

“Every local authority constituted under the Local Government Acts is authorised and empowered to impose by by-law, and to collect, receive, and retain, reasonable fees or charges for and in respect of any license granted under any by-law which the local authority is by the Local Government Acts or otherwise authorised or empowered to make, and to impose in like manner, and to collect, receive, and retain, reasonable tolls, rates, and dues, for the use of roads, bridges, wharves, jetties, or markets, under the control of the local authority.”

The PREMIER said he had mentioned on the previous day that some doubt had been expressed as to whether that clause would cover a wheel-tax. He believed, himself, that it would, but it might be safer to put in a few more words, and remove all possible doubt. He therefore proposed that the following should be added:—

Any such rates or dues may be imposed in the form of a tax or charge upon vehicles passing over the roads of the local authority.

The language of the clause, as he thought he had pointed out previously, was the language used in the clause in the Local Government Acts giving power to make by-laws.

Mr. BAILEY said he objected to the amendment in the interest of the timber-getters. They already paid a wheel-tax to the Government, and under that amendment they would have to pay a tax three or four times over, as they had often to take the timber they carried through three or four divisions, each of which would be empowered by the amendment to levy a tax on them. It was a scandalous proposal.

Mr. BEATTIE said he would point out that, in some cases, timber-getters who were near a railway could send their timber by rail, and thus increase the traffic upon the lines, but sometimes to save that expense they travelled from one point to another and cut up the roads. He did not think an excessive tax would be imposed by divisional boards, and he thought it was only fair that the timber-getters should contribute something to the revenue for repairing the roads. But he did not rise to speak on that matter. He wished to refer to the amendment moved by the Premier. It would give local bodies power to charge a license fee on all vehicles whether public or private, or whether plying for hire or not. He did not object to that, because the owners of drays plying for hire, wood-carts, and all such vehicles going into municipalities had to pay a license fee, and he did not see why anyone who could afford to keep a buggy should not pay something towards the maintenance of the roads as well as the drayman and the wood-carter. He had always maintained that if a tax was levied

everybody should be served alike, and he would always endeavour, in any board he was connected with, to place all on the same footing.

Mr. BAILEY said the tax in the case of timber-getters was exceptional. Nine out of every ten timber-getters were, he believed, selectors who already paid divisional rates as well as a license fee to the Government for every waggon they drove. Now it was proposed to tax them again probably four or five times over. That would be a great injustice. In his own district he knew that when an attempt was made to impose a wheel-tax on timber-getters there was a very strong opposition to it. The timber-getters were quite agreeable to widen the tires of their wheels so that they should do as little damage as possible to the roads, for the maintenance of which they were already paying. They were ready to do anything in reason, but they objected to be made liable to pay an additional tax. The amendment was absurd.

Mr. ARCHER said he was exactly of the same opinion as the hon. member for Fortitude Valley. He did not think it would be the slightest hardship to the timber-getters to be taxed. Of course they might be taxed in such a way as to stop their trade, as the hon. member for Wide Bay said; but he thought it absurd to suppose that any divisional board would put such a tax on them. He thought the tax would be a benefit to them by contributing to having the roads kept in better order, and thus saving horse and bullock power, which they now lost through the roads being in bad order. He knew that the powers of taxation given to divisional boards had been a distinct benefit to the people in this way—that they had roads made now which were never made before. The farmer and the timber-getter could more easily get where they wanted to go, and the roads were kept in a better state of repair. A light tax upon the timber-getter would be more than compensated for by a saving of labour in dragging the timber to market. They would have a good road instead of a bad one. He did not see why, because a man was a selector and went in for timber-getting, he should not be just as well pleased with a good road as anybody else. The tax would really make it easier for the timber-getter to carry on his trade.

Mr. STEVENS said there was a good deal of force in what had fallen from the hon. member for Wide Bay. He thought it would be unfair to impose a tax upon timber-getters when they had already to pay a license fee. There was no doubt that the more money that was spent upon roads the better they were, but he would point out that they had evidence of a very strong feeling on the part of divisional boards to impose a very heavy tax upon timber-getters. They had already to pay a wheel-tax, and he thought it unfair to ask them to pay a second tax of the kind. He thought the amendment proposed by the Premier might be altered so as to exempt timber-getters.

Mr. BAILEY said he could suggest a way out of the difficulty—that the present wheel-tax levied by the Government should be paid to the divisional boards.

The Hon. Sir T. McILWRAITH: What wheel-tax?

Mr. BAILEY: Their license fee. Every timber-getter had to pay a license for every waggon he used.

HONOURABLE MEMBERS: No.

Mr. BAILEY said that every man who walked beside a timber waggon had to pay a license fee to the Government, and that came to the same thing as a wheel-tax.

Mr. ARCHER: The man who gets the timber pays a license for it.

Mr. BAILEY said the man who did the driving was not getting timber, and the men employed constantly driving had to pay the license fee. Another point he would like to mention in favour of the timber-getters was that, since they were accused of cutting up the roads, it should be remembered that those men had made a large number of the roads themselves. Many of the roads now being used by the divisional boards were originally made by the timber-getters. They were the men who discovered and made the best roads, and the public were now benefiting by their work. He had gone through a piece of country in his district and come across twenty or thirty timber-getters' roads, and they had never asked for any repayment of the cost of making those roads.

The Hon. Sir T. McILWRAITH: I should think not.

Mr. BAILEY said that, by the amendment proposed, they were to be called upon to pay twice over for the repair of the roads they had themselves originally made and were now using. He should not have the slightest objection if the Government gave the divisional boards the tax which they now levied upon the drivers of waggons. The divisional boards should get the license fee, as they were justly entitled to it. Why should the Government levy a wheel-tax? If the divisional boards got the fee they could do without the amendment. His principal objection to the amendment was that there would be no limit to the taxation under it. Those men went through several divisions; each divisional board could levy a tax, and the consequence would be that some of the men might be taxed four or five times over.

Mr. NORTON said that he thought the levying of a general wheel-tax would be a very fair thing to do; but there were some cases in which the imposition of such a tax would bear very hardly upon men having teams. He would mention a case which he knew himself. He knew a man who was employed in his own district, partly as a carrier and partly as a timber-getter. At times when there was not a great deal of timber-carrying to be done, and he could not occupy the whole of his time, he did other carrying work. That man paid a timber license and also a license as a carrier. In the prosecution of his work as a carrier he went through one division into another, and then into a third; and if the amendment was carried as proposed, that man would have to pay a tax in every one of those three divisions; and yet, in order to keep himself constantly employed, he already paid a timber license and a carrier's license. He did not quite agree, however, with what had fallen from the hon. member for Wide Bay with regard to the timber licenses, because he did not think the Government, as it was, got as much as they ought to get from the State timber. He thought that the Government might make some different arrangement by which they would get more than they did at present from the timber of the colony, and without imposing a tax upon those men who were engaged partly as carriers and partly as timber-drawers. He did not see himself exactly how it could be done at present, but he felt sure some such arrangement could be made. Under the proposed amendment those men would have to pay an additional tax in each division they passed through, in addition to the licenses they now had to pay.

Mr. SMYTH said there were two divisions in the district outside the municipality of Gympie, and some dozens of timber waggons passed through the municipality daily, most of them drawing timber to the railway station to be taken on to Maryborough; and though the muni-

cipality of Gympie had constantly to keep the roads in repair, they were not receiving one penny from the timber-getters. He did not agree with what had fallen from the hon. member for Port Curtis, that the Government were not getting enough from the timber. The persons engaged in the timber trade were already paying too much for it, and many mills in the Maryborough district had to be closed, because they could not compete with the American, New Zealand, and other timber coming into the market. The timber-getters and those engaged in the trade had to go to the expense of making roads into the scrubs to get at the timber, and they then had to pay as high a price for the timber as the price for which it might be cut and put on board a vessel in New Zealand. He thought, instead of throwing difficulties in the way of the timber trade, the Government should be a good deal more lenient with those engaged in it. It would be quite right to give up the licenses paid by the timber-getters to the divisional boards, provided they were equally divided amongst the divisional boards of the divisions through which they passed, though there might be found some difficulty in doing that. The clause also provided for the collecting of tolls, and in that connection he might mention that not long ago there was a "rumpus," he thought, between the Maryborough Municipality and a divisional board outside it, and one of the parties—he thought the Maryborough Council—put up a toll-gate, and the tax fell upon wood-carters, water-carters, and market-carts. He agreed with what had been said—that the municipalities did not do justice to one class of the people. They taxed the unfortunate wood-carter and water-carter, and they let the grocers', bakers', and butchers' carts, and buggies, go free.

Mr. NORTON said he thought the hon. gentleman who had just spoken made a mistake in one respect. He said that the timber-carriers went through municipalities, cutting up the streets, and that the municipalities got no benefit from them. Would the hon. member prefer that the timber-getters should give up altogether? Then they would have none of them going through the streets, and could not impose a tax. The municipalities made a great deal more indirectly by the trade these men brought than they would get from a wheel-tax. In such a place as Gympie, where there was a large timber trade, the town benefited, and the corporation funds also benefited, from these men passing through.

Mr. SMYTH said that there was a great difference between the timber trade in the North—where the timber was obtained by vessels from Victoria bringing up all their own supplies, and going back to Victoria without giving any benefit to this colony—and that which was carried on by the timber waggons.

Mr. BEATTIE said he thought that the hon. member for Gympie was wrong in saying that there were a great many mills in Maryborough at present closed because they could not sell their timber. That was not the fault of the timber-getters, but of the mill proprietors, who wanted too much for their timber. They could sell timber if they would only sell it cheaper; and still they went to the Government and asked them to put an import duty on timber coming from other parts of the world. Timber that two or three years ago could be got for 16s. or 18s., the buyer had now to pay 24s. for. If the mill proprietors would be content with less profit they would sell a great deal more timber. It was the mill proprietor, not the timber-getter, who got the profit.

Mr. SMYTH said that of course the hon. member for the Valley was altogether wrong.

At the present time the mill proprietors were paying too much for their timber. The growers were not getting too much for it, but the labour of getting it was so great that it cost as much as it could be put aboard a vessel in New Zealand for.

The PREMIER said it occurred to him that the power to tax vehicles which cut up roads was a power the local authorities ought to have. *Primâ facie* there was no reason why it should not be given to them. They could do it by putting up toll-bars, but that was a cumbrous and oppressive plan, and it was far more convenient to charge a man, say, 10s. for the whole year. They need not adopt that plan unless they chose; it was only giving them the power to adopt it if they did choose.

Mr. BAILEY said that an instance of how that would work was supplied by Gympie. The timber-getters there had to pass through three divisions, and they would have to pay the tax in each, and that after the Government had levied a tax on them at the beginning, and after nine-tenths of them had paid their divisional board rates besides. It would be a most cruel imposition. If the divisional boards had power to tax, they would tax—that was his experience; they would have no mercy, and if they could pitch on a small class of men like these they would take the last penny they could from them. They had tried to impose the tax, and though the timber-getters were at first inclined to resist, they had agreed to make a compromise by having broader tires to their wheels so that they would not injure the roads. To some roads now they actually did good instead of harm; the broad wheels acted something like the steam-rollers down here.

Mr. ARCHER said the divisional boards, unless they were fools, would not kill the goose that laid the golden egg. They would rather encourage the trade which was a benefit to them than do anything to stop it.

Mr. ISAMBERT said that there was danger of inflicting a hardship on the carriers if a provision were not made to limit the extent of taxation. How would timber-getters fare if they had to go through several divisions and pay a tax in each; or carriers going three or four hundred miles and being taxed in each division they passed through? There should be a provision by which the joint taxes levied by divisional boards through which carriers passed should not exceed a certain sum.

Mr. STEVENS said it seemed to him that under this amendment divisional boards would have the power of picking out special vehicles for the purpose of taxation, and the probable result would be that the timber-getters would have to pay for their wheels, and the owners of all other vehicles would go free. The power to impose tolls would enable the authorities to get at the owners of all vehicles. As had been pointed out by the hon. member for Gympie, many timber-getters passed through municipalities, starting from outside one boundary and having their destination on the other side. Such a municipality would, with certainty, impose a tax.

The PREMIER said he recollected a case in which a by-law was framed to this effect: If a waggon had broad wheels a license fee of 1s. a year was imposed; and the fee was regulated according to the breadth of the wheels—a narrower-wheeled vehicle paying a larger tax. If a man carried a very large waggon-load on very narrow wheels, £10 a year would not be too much to charge him, because one waggon of that kind would do a great deal more damage in one year than £10 would repair. He thought there was no danger in placing such a power as

that proposed in the hands of divisional boards. They were trusted with much more important matters than this.

Mr. MIDGLEY said he remembered that at one of his election meetings there was one man who kept him nearly an hour wanting to know his opinion very distinctly upon this subject of a wheel-tax and licensed gates. To many of the electors in his constituency such a power as that given to divisional boards would be considered highly objectionable, and if he did not use his voice and vote against it he should be departing from the wishes of his constituents, and not be true to his own convictions on the subject. The objection to such an imposition was not so much the amount that would have to be paid, as the fact that the tax would be petty and vexatious—the imposition of a tax upon a class of men who were producers—who had to toil hard for what they got, and who, by their labour, conferred a benefit on the community, producing that which was in constant demand, and engaged in an industry that was one of the most important in the colony. The attempt to impose such a tax would be very vexatious and unjust. To be just in the matter would necessitate a vast amount of calculation and trouble in finding out how many vehicles a man had got, what kind of wheels they had, and how many times each particular individual used a particular road. It would be just as reasonable to give divisional boards the power to impose a special tax upon people who used a well or dam in a particular locality, because that particular well or dam had been made for the conservation of water and was used by people in a particular locality. Those people ought to pay a special tax—at least that was the logical inference. He thought this was an attempt at taxation in the wrong direction. Special taxation upon men who worked hard and for the most part only got weekly wages ought not to be carried any further than it had been up to the present time. Let them tax the pianos of the country if need be, or the bicycles, or something of that sort, but let them not tax an industry by which a man got a living.

Mr. BUCKLAND said he would point out to the Committee that the difficulty under which the divisional boards laboured was that many of the timber-getters were not taxpayers; consequently they cut up the roads to a very large extent, and no revenue was derived from them. As an instance, he might say that during the construction of the Sandgate Railway a large number of teams were employed by men who did not pay one shilling towards the revenue of those divisions through which they travelled, and in so doing cut up the roads. He knew at the present time, in the division of Tingalpa, that a road that the board had lately gone to some considerable expense in forming was almost destroyed within a month by two or three timber waggons going over it in wet weather. Those waggons were owned by men who did not contribute anything to the divisional board rates. That was the principal cause of the introduction of this tax. He thought the clause was a very good one indeed, because it was left to the discretion of the board to tax men who contributed nothing to the revenue of the division whose roads they used and cut up.

Mr. GROOM said one thing had been overlooked by hon. members who were opposing the amendment. The money derived at the present time for the maintenance of the roads in the particular district referred to by the hon. member for Wide Bay, and in the Rosalie Division, was chiefly derived from the farming class. That class, as a rule, had their produce taken to market in drays which did not injure the roads,

and they complained, and he thought with justice, that they had to bear an additional burden of taxation to pay for the repair of roads chiefly used and cut up by timber-getters. On that account the tax was justifiable. In bringing the timber into the municipality of Toowoomba no tax was imposed on the carriers, and he had seen as many as half-a-dozen timber drays going through the town every day. No tax was imposed, for the reason given by the hon. member for Port Curtis, that those men brought a certain amount of trade into the town. It was the outside timber-getters who brought in large logs on waggons with narrow wheels who ought to be taxed, because they cut up the roads and made them impassable for farmers, who could not bring in their produce to market. Why should not those timber-getters contribute something towards the revenue of the divisional boards by paying a wheel-tax, and in that manner liquidate part of the expenses of keeping the roads in repair? As the hon. member for Blackall had said, those men derived the largest amount of benefit, because, if the roads were kept in repair, they had less difficulty in bringing their timber to market; so that in every way it was looked at it was a most justifiable tax. He did not take the despondent view that the hon. member for Wide Bay did. If the timber-getters in his district were anything like those he (Mr. Groom) knew of, they were not such a very poor class of men, for he had heard some of them boast that they made from £5 to £10 a week at their business. There could be no objection to a tax of this kind. It would be paid with the greatest cheerfulness, because the timber-getters' occupation was a very profitable one, and the better the roads were made for them the more profitable the occupation became.

Mr. BAILEY said the timber-getters he knew of did not make money in the way spoken of by the hon. member for Toowoomba. Timber was sold about 20 per cent. dearer in Toowoomba than in the Wide Bay district, and, as he had pointed out, three-quarters of the timber-getters in his district were selectors who already paid divisional board taxes. Besides that, if the divisional boards were so hard up for money to make roads why did they not apply to the Government for that tax which the timber-getters paid for the privilege of using waggons? That would have been a much better plan than the Government taxing the timber-getters, and then coming down upon them with another tax. If the divisional boards had any kindly feeling they would have said, "Those men are already taxed, and let us go to the Government and ask them to hand over to us the tax they already impose." But to ask the Government to levy another tax was rather cruel on the part of the divisional boards, and showed what he had before said, that they would tax wherever they had a chance, and tax to the last penny. If they could get hold of any small body of men like timber-getters they had no mercy. They did defend themselves in Wide Bay once, and they came to the compromise to which he had referred—that they would use wider wheels so as not to injure the roads. He was sorry that a Liberal Government should seek to impose a tax on some of the hardest working pioneers of the country.

Mr. NORTON said that, theoretically, the tax was a good one, but judging from cases that he knew, he believed that, as applied to timber-getters, it would lead to considerable hardship. In his own district, till recently, there were no timber-getters. Now several mills had been started, and had done a great deal of good to the district. Most of the men engaged in carrying timber were selectors, and all of them were taxpayers, besides having to pay their license

under the Timber Licenses Act; and it would be rather hard upon them to have to pay an additional impost as proposed. It must be remembered that the divisional boards derived a great benefit from the existence of the timber trade—far greater than the mere tax of itself would produce. If it was decided to impose a wheel-tax, of course it ought to be imposed on all alike, but it would put an inequitable burden on that class of men unless some means could be devised to relieve them of it—such as compounding for it by handing over to the boards the license fees they now paid to the Government—otherwise it would have a most deterrent effect upon the industry.

The ATTORNEY-GENERAL (Hon. A. Rutledge) said that, as to the complaint of the hon. member for Wide Bay that a Liberal Government were anxious to impose a tax on a particular class of men, he did not understand the amendment as an attempt to impose a tax at all. It was simply to facilitate a means of obtaining revenue from a certain class of traffic which divisional boards had now the power to levy in a more objectionable way. The hon. member for Gympie had instanced the case of his own electorate, where timber was carted through two divisional boards and a municipality before it reached the railway. Each of those local authorities had a right, if it thought proper, to erect a toll-gate. It was surely far less objectionable to levy a reasonable wheel-tax than to erect three sets of toll-gates; and that was all that the amendment proposed to do. The erection of toll-gates would lead to an outcry all over the colony. So far from a Liberal Government being blamed for wishing to impose a tax, they should be commended for showing the way out of a difficulty which would certainly arise before long. As to the transfer of the license fee from the Government to the divisional boards, how would that benefit the timber-getters? What the amendment proposed was a reasonable charge, and that charge would come before the Governor in Council, and be carefully scrutinised before being allowed. No Government having the interests of the colony at heart would allow any divisional board, seized with a mania for taxation, to do anything unjust in the shape of declaring an impost of that kind.

Question—That the words proposed to be added be so added—put.

The Committee divided :—

AYES, 16.

Sir T. McIlwraith, Messrs. Rutledge, Griffith, Miles,utton, Sheridan, Groom, Brookes, Smyth, Jordan, T. Campbell, Black, Archer, Buckland, Ferguson, and Horwitz.

NOES, 7.

Messrs. Norton, Grimes, Lissner, Bailey, Midgley, Stevens, and Isambert.

Question resolved in the affirmative.

Mr. BAILEY said he would like to ask the Attorney-General whether the timber-getters were at present taxed for driving waggons, and to what amount? The Colonial Treasurer was not in his place, or he would be able to inform him; but no doubt the Attorney-General knew the law.

The ATTORNEY-GENERAL said the only tax charged on vehicles was that under the Carriers Act, one of the provisions in which said :—

“It shall not be lawful for any person to carry for hire beyond the boundaries of a municipality, unless he shall have first obtained from a court of petty sessions a license in the form in the schedule hereto annexed for each dray, waggon, or other vehicle to be used by him in carrying for hire, and such license may be granted to any person on payment of the sum of twenty shillings.”

He took it that a man who was engaged in conveying timber from the place where it was got to the railway station was not a carrier for hire in the meaning of that clause at all.

Mr. NORTON : Is that an official opinion from the Attorney-General?

The ATTORNEY-GENERAL : The hon. member asked for my opinion and I gave him the information I had.

Mr. NORTON : The hon. member for Wide Bay did not ask for an opinion from the hon. member for Kennedy (Mr. Rutledge), but from the Attorney-General. I presume, therefore, it was an official opinion.

Clause as amended agreed to.

On clause 3, as follows :—

“Any by-law heretofore made by a local authority which would have been valid if made after the passing of this Act is hereby declared to be and to have been valid.”

Mr. ARCHER said he would like the Premier to explain something about the clause. It was retrospective. Now, that might suit lawyers, but did it suit the public? He would like to know what effect the clause would have in matters that had already been settled by the court. He wished the by-laws to be valid, and of course he was not trying to obstruct the Bill; but he would like to know this : If a person had gone to a lawyer, and put a case into his hands, and asked, “Can the board under the present law exact this from me?” and supposing the lawyer had told him “No,” and advised him to go into court, and the court had sustained the lawyer’s opinion—would the present clause put him in the wrong?

The PREMIER : No.

Mr. ARCHER said he was only anxious to see that no complications arose from the clause for the benefit of the lawyers and the obstruction of the community. It might be that the clause being retrospective might enable a man to bring the same case before the court.

The PREMIER said the decision of the court could not be upset except by an appeal to the Privy Council. A lot of useless litigation might take place if the clause were not made retrospective.

Mr. ARCHER : In what way?

The PREMIER : Perhaps 300 people might bring actions against divisional boards for a return of the license fees already paid; then the question might arise in each case as to whether the divisional board was entitled to charge the license fee, and, if not, whether the people who had paid it were entitled to get it back again.

Mr. NORTON said the objection he took to the clause was that it gave power to local authorities which the court said they did not possess. After the court had said that, the House stepped in and said they had the power.

Mr. ARCHER : No; they shall have the power.

Mr. NORTON : It does not give them the power in a direct way.

The PREMIER : The 2nd clause deals with that.

Mr. NORTON : But the clause referred to says they have not the power.

Clause put and passed.

Clause 4—“Mode of making by-laws by joint boards in certain cases”—passed as printed.

Clause 5—“Short title”—and preamble passed.

On the motion of the PREMIER, the CHAIRMAN left the chair, and reported the Bill with an amendment. The report was adopted, and the third reading of the Bill made an Order of the Day for to-morrow.

ADJOURNMENT.

The PREMIER moved that this House do now adjourn.

The HON. SIR T. McILWRAITH: I suppose to-morrow will be occupied principally with private business?

The PREMIER: I think so.

The HON. SIR T. McILWRAITH: Has the hon. gentleman made up his mind yet as to the business he will take next week?

The PREMIER: If we sit on Monday, it be a matter of arrangement. On Tuesday and Wednesday we will take the Land Bill.

The House adjourned at thirteen minutes past 10 o'clock.