

Queensland



Parliamentary Debates
[Hansard]

Legislative Assembly

TUESDAY, 25 AUGUST 1885

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QUESTION.

Mr. McWHANNELL asked the Colonial Secretary—

When will the construction of the telegraph line from Cloncurry to Lake Nash be commenced?—and, also, from Boulia to Birdsville?

The COLONIAL SECRETARY (Hon. S. W. Griffith) replied—

I am unable at present to give a definite answer to the question, but it is unlikely that it will be practicable to call for tenders for the construction of the line for some months.

CORRECTIONS.

Mr. ISAMBERT said: Mr. Speaker,—I wish to make a slight alteration in the report of what I said when speaking to the motion of the hon. member for Darling Downs last Thursday. I am reported to have said:—

“The debate on the motion before the House has been a great contrast to the rest of the debates that have taken place up to the present time. It has been marked by that want of fire and feeling usually incidental to any great question by which the vital interests of the people are affected.”

I am of opinion that the debate which took place upon the motion of the hon. member for Darling Downs was one of the best debates of the session, but by inserting those two words “want of” in my speech an entirely different meaning has been given to it. Further on in my speech the words “seven years” occur, whereas I said “some years,” etc.

Mr. JORDAN said: Mr. Speaker,—I have to follow the hon. member for Rosewood and correct an error made by the hon. Minister for Works on Thursday last in quoting something I had said. He said that I stated at a meeting of my constituents that under the new Land Act the lands would yield a revenue of £6,000,000 a year. I did not say so. I wrote down what I then said, because I knew it was very likely I should be imperfectly reported. These are the words I used on that occasion:—

“If the country were fully occupied under the ample provisions of this Act, I believe that before many years were over we might have an annual rental of 3d. an acre for all the leased lands in the colony. Three-pence an acre on 400,000,000 acres would amount to £3,000,000 yearly. Say that one-fourth of it was unavailable—broken or scrubby country—3d. an acre on 3,000,000 acres would amount to £3,750,000 in the year—enough to build all the railways we want in the colony.”

I had these words written out in order that there might be no misapprehension. I added these words:—

“Observe,—I say if the country were fully occupied under the ample provisions of this Act—that is, if the multitude of small farms which this Act gives the power to create were actually settled upon, I mean by the class who would turn them to the most profitable account.”

One would suppose that there could not have been any misapprehension about that. The latter part was left out in the reports. This was not what I said alone. It was in connection with other remarks, in which I said I feared that the land made available under this Act would not be largely occupied by the farming class unless special means were taken, and I showed what I thought would be the difference between occupation by small squatters and by those who settled on selections as farmers: that 50,000,000 acres would be enough to settle 3,000,000 people on farms of 100 acres each, but that 50,000,000 would be only enough to settle 50,000 people under the other system of dividing the land into small squattages. I also noticed this very important fact: that the Act distinctly provides that the land which is set aside for agricultural purposes, if it be not actually settled upon, may be in the meantime occupied by Crown tenants, who can lease the land at a very low rental.

LEGISLATIVE ASSEMBLY.

Tuesday, 25 August, 1885.

Petition.—Question.—Corrections.—Financial Statement—resumption of debate.—Adjournment.

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

PETITION.

Mr. JORDAN presented a petition signed by over 100 members of the congregation of the Baptist Church, Vulture street, South Brisbane, approving of the provisions of the Licensing Bill now before the House, especially those relating to the principle of local option; and moved that it be read.

Question put and passed, and petition read by the Clerk.

On the motion of Mr. JORDAN, the petition was received.

FINANCIAL STATEMENT—RESUMPTION OF DEBATE.

The COLONIAL TREASURER (Hon. J. R. Dickson) said: Mr. Speaker,—I beg to move that you do now leave the chair, and that the House resolve itself into a Committee of the Whole, further to consider of Ways and Means for raising the Supply to be granted to Her Majesty.

The HON. SIR T. McILWRAITH said: Mr. Speaker,—If you have no particular wish to leave the chair we will take the debate on the Financial Statement on the motion for going into Committee. The Financial Statement I have to criticise this year partakes in many respects, so far as the Treasurer is concerned, at all events of the characteristics it had last year and, in fact, every year that the present Treasurer has occupied that position. I am sorry myself that it should be braced up so completely—that there should be so much verbiage about it, and so little live statement left to hon. members, who, without a great deal of consideration, will fail to see the salient points. To illustrate what I mean, I may say that the hon. gentleman is not content with putting certain tables before us—Table B for instance. He is not content with putting before us Table B, which is thoroughly expressive and tells all it means to tell us very well, but he expands this into thirty paragraphs and does not make it one bit clearer than the financial table that has been put on the table of the House. In fact, he makes it a great deal more obscure, because hon. members looking for some point to be found in this mass of verbiage wade through it with an idea of getting that point but fail to do so. Not only that, but the hon. member has this year made difficulties for himself, or rather in previous years he has made difficulties which are coming out now. He has no sooner plunged into his Financial Statement than he finds the difficulties he made in the cooked statement he put before Parliament last year. I say “cooked” advisedly, because that was the term by which it was characterised by the Auditor-General—in fact, the Auditor-General used much harsher terms when speaking of the financial sleight-of-hand by which the Treasurer managed to enhance our credit balance last year by £310,000. Now, I thought that was past and gone; but instead of letting it be past and gone and allowing the Treasury to get what credit or discredit attached to his operation, the hon. member now refers to what he has done and says, “If I had done so-and-so last year how much better a position I should have been in!” If the hon. gentleman committed a fault, surely, in common fairness, he should not be allowed to take advantage of it. The transaction is simply this: Last year, on his own motion, the sum of £310,000 was taken from the consolidated revenue for supply purposes—it was a special appropriation. This was the first appropriation of that kind. It had often been done before, but never from a surplus aggregated by the party now in power, but by this side of the House. That, however, is beside the question. Last year the Treasurer proposed to take out of the consolidated revenue £310,000. Very well, the House agreed to that. According to the vote and according to the practice, that ought to have been taken out and dealt with as a separate account for all time, and the House understood that was the case; but last year, when making his Financial Statement, to the astonishment of us all the Treasurer brought up this £310,000, taken out of consolidated revenue and put back for the purpose, as he himself said, of making the credit balance a great deal more respectable than it had been. That was a wrong financial transaction, the object being, as the Treasurer told us, to

show a large credit balance, as we were likely to be borrowing largely at home. We showed that a transaction of this kind must necessarily tend to hurt our credit; because there is nothing can be clearer than that all business men in the world will respect us more and trust our honesty better, the more clearly and truthfully we put the statement of our affairs before Parliament. It was a manifestly untruthful statement; however, the Treasurer got the advantage of it. This year—not because it was an untruthful statement, mark you, but simply because he commences to find it inconvenient—he wants to hark back, and wishes he had never made such an arrangement. He says that if he had not taken this £310,000 to the credit of Consolidated Revenue Account last year the consequences would have been this year that the amount of expenditure during the year just past would have been less by £100,000; and he says that consequently the true balance, as he characterises it throughout his statement afterwards, ought to have been £167,000 instead of £267,000; and if hon. members will only look upon it in this way they will see that he spent £100,000 less than the Statement shows. He finds himself that the falsified accounts of last year make it appear that he spent £100,000 more than he has actually spent, and he complains about it now. Still, at the same time, this is the result of his own manipulation. Had he let the accounts stand in the straightforward way in which they had hitherto been this would never have occurred. I think hon. members now pretty well understand it—at all events it takes the Colonial Treasurer half a column of *Hansard* to explain how much better the position of the finances would have been now had he kept in the consolidated revenue the £310,000 which, by the order of this House, on his own motion, was transferred to the Surplus Revenue Account. Having excused himself for the comparatively bad position in which the accounts were found, owing to his own manipulation, he goes on then to give the history of the past year's transactions to the House; and that, I must say, is not very encouraging for the future. He reviews the history of our revenue and expenditure for the year 1884-5. The lessons he draws from them I do not think are justified by facts, but even the lessons such as he does draw have not been very encouraging to us. We find, for instance, that he got from Customs last year a very large increase—an increase of about £71,000; he got also a large increase from stamp duties of £27,000. Those are abnormal increases, and increases far beyond what he had anticipated himself, and which should have guided, or, at all events, cautioned the hon. member about the position of the country, pointing as they do clearly and distinctly to an abnormal state of things. The land revenue, again, on the other hand, so far from meeting the expectations of the Treasurer, and so far from meeting his further anticipations as given expression to subsequent to the delivery of his Financial Statement last year, shows a deficiency of £32,000. Railways, again, while showing certain increases on the revenue for the year before, show a falling-off of about £30,000 on the hon. member's estimate; while miscellaneous receipts show an increase. This increase need not be taken into consideration now, because the principal item is made up of interest for public money, and the Treasurer happened to have more public money than he anticipated, for which he was getting interest. In the Expenditure Account the Treasurer kept up the estimate, but not at all to the amounts of each particular item. We find that, while the Treasurer spent quite as much as he anticipated or intimated to the

House he was likely to spend, he spent on several items an immense deal more, and saved a very large amount on some others, the saving of which will be hurtful to the colony. For instance, in the Expenditure Account we find a large increase in the Colonial Secretary's Department—an immense increase; we find a larger expenditure in the Administration of Justice than was anticipated, and the same may be said of the Department of Public Instruction and of the Colonial Treasurer's Department. The Works Department, on the other hand, where simply departmental expenditure is concerned, has shown a decrease on the contemplated expenditure; but the great decrease that has been shown in the Works Department has been in the amounts of money that were voted and not expended. While we grant that the hon. member has put a balance-sheet before us that shows on the transactions of the year a saving, as he claims himself, of about £32,000, at the same time I say that he has committed the country to a very large expenditure that constantly goes on. He has not spent the amount of money that he asked Parliament to give him, but has substituted for that a large expenditure which is bound to be perennial—which is bound to go on, and which is bound to go on increasing; whereas, under other heads, items such as amounts voted for roads, bridges, and buildings have not been expended, and they will go to swell the ordinary expenditure of Government. The revenue has not been at all such as the Colonial Treasurer anticipated. It has astonished himself, and I believe it has astonished everybody in the country, to see the large increase which has taken place in the Customs Department; but it has astonished none on this side of the House to find that the land revenue has been so small. At all events, it has gone against the calculations of the Government, and the result of our operations last year has been such that we have proved conclusively that we have a fickle revenue to deal with. In several items there has been an abnormal increase, such as in the stamp duties and in the Customs duties; and it is clear from surrounding facts that that increase is not likely to continue; at all events, to continue in the same ratio. We see, on the other hand, that what we have always reckoned permanent sources of revenue have decreased, and from surrounding circumstances they are not likely to decrease. In the face of these facts the Treasurer has given us his statement, his prognostications for the coming year. He has made an estimate anticipating an expenditure of £3,006,214, and the revenue is laid down at £2,982,500. This is a large decrease between revenue and expenditure, and it does not appear to have been anticipated by the Treasurer up to the time he made his Statement. At all events, the idea of additional taxation does not appear to have struck him until after he made provision for the supplementary appropriation of £150,000, which hon. members will find at the end of the Estimates. His estimate for 1885-6 anticipates an increase in Customs receipts of £65,000. It is useless, of course, saying anything more on this matter than that the hon. gentleman's anticipations will not be realised. I think I can prove that from his own figures—that I can prove he does not expect it himself. The land revenue is expected to produce an increase of £53,000. The income from this source last year was £600,000, and the estimated revenue under the Land Act of 1884 for the year 1885-6 is £653,000. Very little has accrued up to the present time, and I think the Colonial Treasurer has seen reason now to believe that his anticipations with regard to this matter will not be realised. Last year the hon. gentleman anticipated an increase

of £10,000 from this department, but his calculation was not verified, and for the present year he expects to get an amount of £20,000 over his estimate for 1883-4 and about £53,000 over the amount actually realised during that period. In the Public Works Department an increase of £127,000 is anticipated. It is doubtful whether that will be realised. I think the hon. Colonial Treasurer has nearly admitted that in the doleful way he spoke about our prospects and chances in railway matters. Under the heading "Miscellaneous Items" an increase of £20,000 is expected by the Treasurer, but that need not be very much considered, because it is an increase anticipated from the additional amount of interest that the hon. gentleman will secure by the sale of our debentures. Of course, if the hon. gentleman has a sufficient balance to his credit at the bank to produce this additional interest of £20,000 his expectation will be realised, but it is purely a matter of chance depending on the sale of the debentures, and in no sense can it be considered part of the revenue of the colony. Anyone who, in addition to examining the first page of the Estimates, will go through the Estimates and examine them particularly, will see that the revenue, while raised to the highest point that the expectations of the Colonial Treasurer could carry him, has certainly not succeeded in becoming equal to the amount that will be required for the expenditure provided for in these Estimates. Last year, hon. members will remember, was an extraordinary financial year. It was a year that was characterised by great anticipations of revenue on the part of the Treasurer—greater anticipations than had ever characterised any Treasurer's Statement before. The other Ministers evidently came up to his expectations; at all events they got up to them in the Estimates, for last year so far as departmental estimates were concerned the Estimates were the most extraordinary ever put before Parliament. No Estimates ever exceeded them in this respect; and not one single department can escape the blame which this action deserves. This is clearly shown—is clearly proved—by the niggardliness and parsimony of the departmental arrangements in the present Estimates. The principle laid down in last year's Estimates will go a great deal further than the simple wish of particular Ministers to keep down expenses. If the Government once establish a principle our Estimates must be framed on that principle. We have now as extravagant Estimates as last year, and that is saying a great deal. What is the present condition of affairs? We have arrived at what the Colonial Treasurer has characterised as bad times—he seems to delight in bad times; we have arrived at a state of things when the most ordinary Financial Statement that is put before us shows on the face of it a deficiency of £173,714. This is a state of things that we certainly did not expect when we heard the debate on the Land Bill last year, and it is certainly a state of things we did not expect when we heard the Colonial Treasurer making his Financial Statement at the end of the session in September last—in his Financial Statement in respect to the Loan Bill. Before summarising my conclusions on the Statement we have before the House at the present time, I will make some criticisms on a number of items that I have marked in this Budget Speech. Referring to the small deficiency of £27,844 in Customs—the difference between his estimate and the amount actually received—the Treasurer says:—

"The causes of this comparatively small deficiency will be made apparent on a consideration of the several sources of revenue; but I desire specially to direct the attention of hon. members to the encouraging fact that the large amount of revenue furnished this year represents an average individual contribution of £8 15s. 7d.

per head of estimated population, a rate which exceeds in proportion to population the capitation contributions to revenue in any of the other Australian colonies."

This is the first time that I have heard a Treasurer congratulate us on being the most heavily taxed people in Australia, and my only object in bringing this before hon. members is to show its intimate connection with the proposals of the Treasurer which I shall presently consider. The hon. gentleman further goes on to say :—

"It cannot fail to be considered also as a satisfactory proof of the elasticity of the resources of the country and of the prosperity of the people generally, notwithstanding the depressing effects of the continued severe drought on many of the chief industries of this colony."

Then, in reference to the increase in the revenue from stamp duties, the hon. gentleman is just as exuberant. He regards the large increase from this source as a sign of the prosperity of the colony. I would, however, remind him that this abnormal increase in stamp duties is due to a cause which I do not think contributes to the wealth of the colony, although it may contribute to the wealth of a few individuals. There is no doubt that the large transactions in land have not been justified by the business of the colony. These transactions have been larger than we have seen in any other country in proportion to its population, and have produced, as I have just said, an abnormal increase in the stamp duty receipts; and I do not think that anyone in his sober senses would regard that as an indication of the prosperity of the country. Going on now to the expenditure, the Treasurer makes this remark with reference to the large expenditure for defence purposes :—

"The cost of preparations for defence during the year 1884-5 has amounted to a considerable sum. The expenditure on account of volunteers has increased from £16,596 in 1883-4 to £25,214 in 1884-5; and to enable hon. members to learn the character of the total payments for defence purposes during the year I give the following details, namely :—

	£
Gunboats and Torpedo Boat	49,373
Purchase of Steamers and Barges	29,760
Naval Force	1,617
Lytton Battery	5,500
Ammunition and Stores	5,092
Salaries and Pay	7,102
Horses	1,200
Uniforms	2,114
Camp of Instruction	2,406
Townsville	1,450
Thursday Island	750
Permanent Force, Rifle Ranges, Inci- dentals, etc.	5,985
Total	<u>£112,379</u>

Of this sum £41,577 has been defrayed from the Consolidated Revenue Fund, £27,028 from the Loan Fund, and £43,774 from Surplus Revenue Account."

The hon. gentleman does not trace the subject very far, and I need only refer to this as a very large amount, which exceeds the extravagance of the Government for last year, as disclosed by the extraordinary amount put down for defence on this year's Estimates, the total cost of which is something like £46,563. This is probably an annually increasing expenditure, and it exhibits the exceptional expenditure over last year of £5,000. The Treasurer says, in referring to the sale of the late loan :—

"I need not detain the Committee by referring to the sale of this portion of our loan, which is now a matter of history; but I cannot pass over in silence the highly gratifying circumstance to the colony of the liberal and spontaneous offer of assistance made by the Bank of England in the event of the sale of our loan being necessarily delayed. Whatever views may be entertained by hon. members regarding the last sale of our stock in the light of a successful financial operation, it is eminently satisfactory to find that by adopting the Bank of England's advice and direction in the conduct of such sale we have secured the full confidence of that

powerful institution in the financial stability of the colony; and that the disingenuous and misleading statements reflecting on the credit of Queensland, made by certain anonymous writers in the London Press, have entirely failed to disturb that feeling. The animus which inspired these attacks has been evident, but the financial position of the colony in the London market has fortunately proved invulnerable to such malevolent assaults."

Now, when I saw the first telegram in the newspapers about the malevolent attacks which had been made upon the Queensland Government I anticipated something diabolical. I expected to see something that would raise our patriotic spirit against those men who were trying to hurt our country in the opinion of our friends at home. I waited for a long time, and waited in vain. I have seen all the worst paragraphs published in a Parliamentary paper, and I say this advisedly, having examined the correspondence with great care, as I suppose other hon. members have done: that I have seen not a line which was written on the subject that was one whit worse than that which was written upon the loan that preceded it. In fact, after reading the whole of the papers, there is not one salient point in them except this: that it is shown that, had it not been for the chance given by the Treasurer to those men to write, not one single charge should we ever have heard made against the Government. The only salient points in the letters are where quotations are made from the Treasurer's last Statement, and if these things had any effect in depreciating the loan it is entirely due to the indiscretion of the Treasurer. As to anything having occurred that would frighten us or put the Agent-General about in the slightest way, that is utterly absurd. I remember when I was at home in 1878-80, when we were floating our loan, that men calling themselves Great Liberals wrote dozens of letters to the London and Glasgow papers against the floating of the first portion of the three-million loan—men who I am informed were in league with the party now in power, and who obtained their information from the hon. member for North Brisbane, Mr. Griffith.

The PREMIER: What were the names of the men?

The HON. SIR T. McILWRAITH: I will give the names.

The PREMIER: I should like to know them so that I may be able to contradict such a statement.

The HON. SIR T. McILWRAITH: Well, when I saw these letters, what did I do? I did not whine, but I sat down and answered them, and I am under the impression that I got the best of the argument; at all events, our loan was a success. Had our Agent-General at once adopted the same course with regard to the last loan, it would have been better. Now, as to this offer of the Bank of England, I do not find any traces whatever in the correspondence that it was actually made. When I heard the statement made by the Treasurer, more than once, that the Bank of England had offered to advance a million of money to the colony, I doubted it. I have in my hand a return, which I called for, of the correspondence that had taken place between the Agent-General and the Bank of England, and between the Agent-General and the Queensland Government, in reference to the proposed loan. I have gone through that correspondence very carefully, and I find there is not a single trace of such an offer ever having been made.

The PREMIER: Yes, there is.

The HON. SIR T. McILWRAITH: It was a request from the Agent-General that the Bank of England should lend the money.

The PREMIER: That is not the first part of it.

The HON. SIR T. McILWRAITH: I would like the hon. gentleman to point out the first part of it, then. The only letter that refers to the subject is a letter of the 28th of April, 1885, from James Garrick, the Agent-General, to the Governor of the Bank of England. It is as follows:—

"1, Westminster Chambers, S.W.,

"28th April, 1885.

"SIR,

"I have the honour to inform you that I have, from time to time, since January last, communicated to my Government your frequently repeated opinion as to the undesirability of issuing their proposed new loan. Since my last telegram my Government, apparently thinking that the political aspect of affairs was likely to continue for some time, have instructed me by telegraph to ascertain from the Bank what assistance would be given them during the remainder of this year, should the loan not be negotiated.

"With reference to the interview to-day on this matter, I have now to inquire whether the Bank will advance to my Government at such times as they may require before the 1st January, 1886, any sums not exceeding £1,000,000 (one million pounds), to be repaid from the proceeds of the first loan, or earlier, at the option of the Government, such loan to be issued with the concurrence of the Government.

"Interest to be paid on any such advance at a rate not exceeding 4 per cent.

"I have, etc.,

"JAMES F. GARRICK."

The Colonial Treasurer has more than once made the assertion that the Bank proffered the assistance, but I do not think the correspondence now before Parliament will prove that; and if Mr. Garrick has written other letters which the Treasurer has not published, then the hon. gentleman is simply refusing to accede to an order of this House to put the correspondence on the table. It is proved, so far as I can see, that so far from the offer having been made by the Bank it was solicited by the Government. Now, what was this offer? On the 14th of May our loan was sold. On the 15th of May the *Times* quoted money lent by the Bank of England at long-dated bills of three and four months at 2 per cent. They quoted it in the open market at 1 per cent., and also said that large amounts of money had been drawn at $\frac{1}{2}$ per cent. That was on the morning upon which our loan was floated, and here we are asked to congratulate ourselves that the Bank of England was offering us a million of money out of its well-charged chest at twice what it charged itself and five times what anyone else was charging. That is the magnanimous offer of the Bank of England that we are to congratulate ourselves on. Surely if we could have shown a decent balance-sheet we could have got that offer from any respectable monetary institution in England. I do not consider it was a good financial transaction; I believe the Government could have made better arrangements; I am sure they could, if their balance-sheet had been in the state I left it. Following very closely on that, the Treasurer says:—

"The general condition of the people of the colony, except in the pastoral districts, may be safely stated to be that of content and prosperity. Our industries are actively employed, and all classes of property have maintained full values. In all the large towns of the colony new buildings and improvements are on every hand apparent; and the ordinary expenditure of Government in this direction is more than emulated by private enterprise.

"Nor is this energy in the erection of buildings and other improvements confined to the towns solely. Notwithstanding that the severity of the seasons has, in many instances, tended to restrict and delay improvements in pastoral holdings, yet it is satisfactory to note that in those districts of the colony where agricultural settlement has taken root, the primitive dwellings of the pioneer settlers are rapidly disappearing before the

erection of residences possessing the comforts of modern civilisation, and indicating unmistakably the improved pecuniary condition and resources of the respective owners."

Now, sir, I only mention that in passing, so that hon. members may bear it in mind when we come to consider what are the proposals of the Government.

"The success attending the deepening of the Brisbane River to fifteen feet below low water, by which the British-India and similar vessels are enabled to load and discharge at the wharves, has been such that the Harbours and Rivers Department has been instructed to consider the further deepening of the channel to twenty feet below low water, which would allow steamers of the largest class to come up the river."

I am glad to see the hon. member, whom I remember ridiculing the idea of bringing up the British-India steamers when I proposed it in 1879, has come to his senses, and sees at last, not only the possibility of bringing up the little British-India steamers trading here now, but vessels drawing five feet more water. The hon. gentleman, in the mass of figures he has placed before the House, and in the verbose comments he made on those figures, has disguised from the House very considerably what our real position is. Our real position last year was this: With a falling revenue, and a revenue that the Colonial Treasurer ought to have seen was failing, he went on with an increased expenditure that has never been matched in the colony before. This year, when he makes up his balance, he finds that the revenue continues to fail at an even greater rate than when he made up his accounts at the end of last year; and having made up his mind to tide over the year with an anticipated deficiency, which he trusted in Providence would not be greater than the amount we had left in the Treasury for expected deficiencies, he did not intend to put before the House an increased revenue for the present year. But he found what comes to every Treasurer—that demands for further expenditure came on him as soon as the Estimates were produced, in fact long before that; and he was obliged to provide on the Estimates, for what he calls evils not anticipated, a sum of £150,000. That and the expected deficiency in the Estimates-in-Chief he asks us to make good by additional taxation. Now, sir, it is not a new lesson at all we are receiving from the party now in power. Their bane is extravagance; the curse of the colony is the extravagance of the other side of the House. It does not matter from what source the money is to come, they will have the money and they always spend it. If they have good seasons a deficiency does not take place, but, good or bad, they spend the money and land the colony in a deficiency at the end of their time. That is exactly what they are doing now. In 1879 they lost office because the country had lost confidence in their management of the finances. They had got the expenditure beyond their means of raising revenue; and when they met the House they knew perfectly well they were gone, still they held on to office until a vote of the House put them out. I have been abused as a pickpocket over and over again by the present Premier for doing the same thing, but I simply refer to the fact that, while knowing the majority of the country was against them, they waited till Parliament met, and put before the House a flaming speech from the throne. That speech contained a distinct apology; it admitted the fact that the party which had held office for five years had got the country into debt, which nothing could clear off except increased taxation, and that they proposed to put on the colony. The Government were defeated and went out, and the Government of which I was the head came in. We saw that if the finances of the colony were properly handled, the

existing taxation was quite sufficient to tide us over all the deficiencies and carry us through. The Opposition then did not believe in our policy, and moved a want-of-confidence motion on that ground—namely, that our financial proposals were insufficient and that we would not be able to make both ends meet unless we imposed additional taxation. They lost the motion, and we carried on, with the result that at the end of our term of office we had not imposed any additional taxation, and we left a very large balance to our credit. That is the history of the last party, and this party up to the time of their taking office. Did we leave that balance of £700,000 when we left office in November, 1883? I made a speech at Bundaberg in May last, previous to the opening of the House, and in that speech I made use of the following words:—

“When he took office”—

It is reported in the third person—

“there was a large deficit to cripple his efforts, and an uphill task he had with it; but when he left the Treasury it had a surplus of £700,000, which, by the way, was now getting smaller every day, and at the present rate it would soon be all gone.”

I think a simple statement of truth of that kind should not be liable to such an outrageous burst of resentment as actually came from the Treasury benches. I said at Bundaberg that when I left the Treasury we had a surplus then of £700,000; and this is how the Colonial Treasurer characterised my statement in his speech in the House on the 8th July:—

“That is only a small thing beside the charge he flung against me when he was before his constituents at Bundaberg. He said there that he had left in the Treasury £700,000. He must have left it in some obscure corner of the Treasury, for the most minute microscopical investigation fails to reveal any trace of it. I have no doubt the people at Bundaberg were rejoicing in spirit to think that there was £700,000 knocking about somewhere in the Treasury, so that there was a chance of them or some other constituency getting a little extra bit of railway construction not provided for in the Loan Estimates. We do not want to confound our true position with balances which only exist in imagination—which have no real entity. The hon. gentleman may labour under the impression that, by withdrawing money from the Railway Reserves Fund and obtaining authority to borrow a further amount to provide for money already expended, he had obtained £700,000, but that had all been spent. The hon. member knows well that the Treasury returns are strictly correct, and that he could find no trace of the £700,000 he says he left in the Treasury.”

I asked what was the balance in November, 1883, and the Colonial Treasurer replied—

“I have not the figures here, but the balance left by the hon. member was not £700,000.”

And then he went on to say—

“We shall have to argue the matter in discussing the Financial Statement”—

Which is what I am endeavouring to do. Hon. members know that the accounts are made up in the Treasury only at the end of each month. At the end of October, a fortnight before we left office, there was in the Treasury £691,908 2s. 8d.; at the end of November, a fortnight after we left office, there was £773,077 6s. 10d. Taking the average of these two amounts, which the Under Secretary to the Treasury assures me is as near an approximation as is possible to be made, there was in the Treasury, on the day I left office, £734,000. I am astonished that an hon. gentleman in the position of the Colonial Treasurer should make such a barefaced misstatement, especially when I had warned him that I was using figures which I had deliberately got, for the purpose of making them public, from the Treasury. Those figures are in the handwriting of the Under Colonial Treasurer, and I have as much right to them as the hon. gentleman himself; and that official estimates that the amount there was in

the Treasury when I left office was £734,000. Of course I know what the hon. member will say. He will say, “Out of that we had to pay a half-year’s interest at the end of December.” I knew that perfectly well, and so did my audience. I did not claim that I had not left debts there. But I do claim that, even at the end of December, when the interest had been paid, and when the Treasury is at its lowest ebb, the amount to its credit was £570,000. Now, sir, from the year 1882-3—the last year over which we had the control of the finances of the colony—there has been an unprecedented increase in expenditure. Not taking interest into consideration at all, but taking the expenditure over which more directly the Ministry of the day had control, I find that the expenditure has increased in those three years by 37 per cent.—that is, the expenditure proposed by the Ministry for this year is 34 per cent. over the expenditure on the year that I left office. But if we take into consideration the interest, in addition to all the other branches of expenditure, we find that the amount of increase since that time has been 41 per cent., and of course it is quite clear that without additional taxation this sort of extravagance could not go on. Additional taxation, or a wonderful increase in the revenue, is inevitable, whether it comes from taxation proper or from our land revenue. One of these things is inevitable if we wish to keep our balance on the right side. Last year an astonishing change was made in the policy of the Government: they proposed to obtain a ten-million loan. I say it was an extraordinary change, because it was so different from the policy of the Government at a previous time. They lost office at the end of 1878 because they had not sufficient courage to propose an additional loan. This ten-million loan was brought forward in 1884, and all the pressure brought to bear, not only from this side of the House, but also by hon. members on the other side, was insufficient to make the Government disclose to what extent we might expect revenue to be realised under the new Land Act for the purpose of paying the interest upon it. We did succeed at last in getting some kind of an estimate. The Minister for Lands was perfectly helpless in the matter; indeed, he never professed to give us anything specific. The Colonial Treasurer indulged in some wild arithmetical calculation to the effect that if we got 1d. or 1½d. from every acre of land in the colony it would come to so many millions. We got nothing practical until the hon. member for Townsville forced the Premier to disclose what were his anticipations of the Act for the first year of its operation. I will say in parenthesis, now, that the amount to the credit of the consolidated revenue at the end of 1883, three months after we left office, was £520,000, after paying interest on the public debt. The Treasurer said with reference to that Land Act:—

“It is a fair and reliable conclusion that at least £158,000 per annum will be received almost immediately, in addition to the revenue from our pastoral lands, and this must necessarily increase with the gradual extending of the occupation of our grazing farms and agricultural areas. And against this amount of £158,000 per annum is to be set off only the absence from our land revenue of small amounts derived from pre-emptives, auction sales of country lands, the decrease in the conditional selections, and the stoppage of selections after auction—amounting during the first three years to an average of about £40,000.”

We have, therefore, £111,000 from the direct action of the leases under the Act, and we have £100,000 increased rental of the pastoral leases that were then in existence. He refers in another paragraph, at some length, to that estimate being a moderate one—£100,000 for pastoral leases then existing; and that, together with the

£111,000 additional for new leases under the Act, gives us £211,000. But, sir, what position are we in now? Last year the Treasurer anticipated that he would realise for that portion of the year £10,000 from new leases; but he has actually realised, as I have said, only £696. This year again, after having promised an increase of revenue to the extent of £211,000, he puts down the revenue in a corrected form at £30,000, and even that, he tells us, is a doubtful matter. He has made a jump in the dark, in fact. He does not know what the revenue is likely to be, and is perfectly helpless. So he puts down £30,000, having last year promised £211,000. It is not as if the hon. gentleman had made a vague estimate of the amount likely to be realised by the operation of the Act. If hon. members will just reflect a moment they will remember the trouble we had last year to try and give the country what it was justly entitled to—a fair statement and full information as to the probable working of such an important Act as the Land Act—and they will see at once that the Treasurer gave that statement only after very long consideration—whether it was fair consideration or not—and after he was actually badgered into it by the arguments of members on this side of the House—that he would not be likely to realise for some years any increased revenue at all. That is the position he has got himself into. He estimated to get £211,000 increase; he now expects £30,000; but the increased expenses of the Land Office by the operation of the Act of 1884 will amount to more than £30,000. The whole of that estimated increase will be swallowed up by the increased expenses of the office, attributable to the one fact that the Act after being two years in operation has not produced any considerable revenue. What then is the position of the Government? That they are compelled to come forward and propose new taxation in consequence of the complete failure of their own policy. Their policy was to pass a Land Act which would give a larger amount of revenue out of land than we had received before. That policy has been an utter failure up to the present time, and in the anticipations of the Treasurer, as put forward in his estimate now, it is a failure; because, while I believe he will get no increased revenue from it, the cost of administration will amount to a great deal more than the increase he has anticipated. He sees that it is perfectly impossible that he can get this increased revenue, and what is his resource at the end of the time? He has always said, "We must have land revenue." They themselves, as a party, have repeatedly said that the cost of railways should be borne by the interest in the country that got the benefit of those railways. Now, sir, just let us fancy for a moment the interest that has got the benefit of railway construction during the last two or three years. Look at the enormous amounts that have been made by men in this city and other parts of the colony by land speculation. That land speculation has had its basis solely—or, at any rate, principally—on the railway construction that has taken place in this and neighbouring towns. Where railway construction has not taken place there has been no land speculation, and no large increase in the price of land has arisen. Wherever we have increased means of communication by railways the price of land has increased enormously. I should like the Treasurer to say what interest has benefited by that. They were sharp enough before in trying to saddle the squatters of the colony with the cost of constructing the lines out west, but now they turn round and say the only possible way of getting revenue to make up for failure of their land policy is by extra taxation on certain articles. And what are they?

Spirits, machinery, timber, and beer! A more contemptible policy I never heard enunciated. Fancy a policy of that sort coming from the present Treasurer! He has frequently put himself forward as the exponent of freetrade. I have heard him, when there has been no necessity to discuss the question, refer to it and boast that he believed thoroughly in the principles of freetrade; and yet he consoles the colony at the present time by putting a 5 per cent. import duty on all machinery that comes into the colony, and says that it will be a means of encouraging native industry. Well, sir, if I had used an argument like that I do not see how anybody could be surprised, because I have always held protective views; but the hon. gentleman has held distinctly opposite views and has gone in now for protective views—not because he believes in protection, but simply because he expects to get a certain amount of revenue from that source. And how, sir, are the people who drink spirits and beer, and the people who build houses and use timber or machinery, connected with the extravagance of the present Government? If we are in a dilemma at the present time, in what way are they connected with it? We all know that the beer that is proposed to be taxed is used almost entirely by the working class. The Treasurer never drinks it, the Premier never drinks it—I do not know that he even knows the taste of it—and they can rest perfectly content and have no hesitation in putting an additional threepence per gallon upon beer, which will be a tax upon men who have had nothing whatever to do with the question as to whether railways shall be made in any particular part of the country. Then, with regard to the timber tax, there is an anomaly well worthy of our consideration. The Minister for Lands, in that newly fledged zeal of his to reëxamine the whole of the colony in his own way, was determined to get a revenue out of the timber of the colony, and he startled the timber-getters and rather astonished everybody in the country by the imposition of what was virtually an excise duty on timber. This might not have looked so bad under some circumstances; but in view of the depression under which the timber industry was suffering it was a positive hardship. The timber-getters had a hard struggle through the depression and through having to compete with imported timber, and to put this extra duty on was more than they could bear. The Minister saw he had made a great mistake, and in order to get out of the difficulty he went back and tried to get the revenue he wanted by putting a counterbalancing duty on imported timber. See the confusion of ideas implied by that. He defended the imposition of the tax in the first place by saying that we should derive revenue from our timber, but finding himself in a difficulty he endeavours to get out of it by putting a duty on imported timber, which everybody who uses timber will have to pay. The people who get the timber out of our forests will not pay one farthing of that. They are just in the same position as they were before. The Minister for Lands has lost his idea, and the Government now propose a wholesale piece of taxation on all the people. I wish to know above all things why we should tax timber. The first thing a man does when he arrives in the colony and wants to build a home for himself is to spend £10 in a timber-yard. Such men have been buying at increased prices lately, and that is just the reason why the Treasurer has made such a set upon the matter. Then the duty upon spirits is to be increased. That is another protective idea of the hon. gentleman! He has been trying to pose as a freetrade exponent; but he cannot resist the idea of getting a protective duty on spirits. Once before there

was a differential duty on spirits, and it had but one effect—and that was bad—for the colony. I do not think the House was ever more unanimous than in the repeal of the Act by which a differential duty was imposed upon colonial-made and imported spirits. In 1880 the duties were equalised; and now the hon. member proposes, by a sideward, to make them differential again. For the future the duty on spirits is to be 12s. a gallon on imported and 10s. on colonial-made. This is another protective idea of the hon. gentleman. I look upon it as his idea of protection. I do not think it will do much good, because his protection has no other object than revenue. He has protected a thing that deserves protection less than any other commodity in the colony, by a duty of more than 100 per cent., and the differential duty of 2s. is worth more than the spirit itself. Therefore, that is a protection that defies competition. What was the effect while there was this duty? It was that we had a great many distilleries, and the great bulk of the spirits with a foreign brand sold in the market were actually manufactured here. I have been told by men who carried on the trade that they had brands of all kinds—labels of all kinds—of brandy, London gin, Hollands gin, and every other kind of spirit, all of which were manufactured on the Logan. It was a depraved trade in the colony, that nothing but the equalisation of the duties could rid the colony of. Exactly the same thing took place in New Zealand. There the distillers themselves admitted that the differential duty was bad. It ran through the whole of the debates in Parliament that the distillers themselves were anxious to get out of the trade on account of the bad effect it had upon the morals of the colony. All they asked for was fair compensation for their plants. The same testimony was given to me by nearly the whole of the distillers here. They assured me that the best thing would be, undoubtedly, to equalise the duties on spirits, and they claimed, as in New Zealand, fair compensation for being driven out of the trade. Taking the argument as it stands, it is a fair thing to have an equal duty on spirits—not a differential one. If we, therefore, having stopped it for five years, put on a differential duty and allow distillers to accumulate vested interests, and protect the industry to the extent of 100 per cent., we shall be doing an immense amount of harm to the colony and will only get out of it by paying back to these men the amount of their vested interests. Then what are the Government trying to do? Why should we have a duty upon spirits because we have been restricted in our railway extension? There is 10s. duty on brandy, and why should that be increased? Why should the duty on beer be increased? It is the drink of the men who have had least to do with the extravagance of the Colonial Treasurer, because they have never been able to understand his Financial Statements, or I am sure they would have voted against him and prevented him going into this extravagance. These men drink colonial beer, and they will have to pay this additional duty. As I said, it does not touch us; we never drink colonial beer; I do not think there is a man in this House who does. It is the drink of the working classes, and this duty does not exist in any of the other colonies. At least, it does in one—I must correct myself, or I have no doubt the hon. Premier will say it exists in two or three. I may tell him it exists in only one—in Tasmania—and that is an exceptional colony, for the reason that everybody drinks colonial beer there; the amount imported is a mere bagatelle. Here it is different. There is no excise duty on beer, and neither is there in any of the other

colonies, with the exception of Tasmania, where it is quite exceptional, because it is a fair duty on an article that is consumed by all classes of the community. Small as is the population of this colony, more imported beer is consumed in it than in Victoria, although there is only one third of the number of people. We are keeping the upper class distinctly from taxation. That is the class that drinks imported beer. The beer that is proposed to be taxed is consumed to an enormous extent even by the least paid working men of the colony, and they will have to pay this additional duty, because surely hon. members are not labouring under the delusion that the tax will be paid by the brewer! Such a proposition as that is a thing that the rich brewers like. What will be the effect of the tax upon them, taking their position as far as capitalists are concerned? What was the effect of it in Victoria? A duty was put upon beer there for eighteen months, but it was withdrawn and it had never been attempted since. During that time, out of 100 breweries 12 were closed. I have not the statistics before me at present, but I believe the number that were closed during the time that this tax was in operation was twelve. What stopped these breweries? It was simply the imposition of a duty; because by the imposition of a duty of that sort a monopoly fell into the hands of the men who could invest a larger amount of capital. At all events there were twelve brewers ruined and a certain amount of monopoly established, and that will be the effect here. We shall not have competition for a long while in brewing if this duty of 3d. per gallon be imposed, but there will be established a firm monopoly. Nothing but investment of an enormous amount of capital by any persons wishing to go into that business can affect them. The next thing is the duty on machinery. This is the item upon which there was the observation made by the Treasurer, that it will help very much to encourage local industries. Five per cent. upon machinery is one of those taxes that are pure import taxes. It is not sufficient to help any industry in the slightest way. It is simply a tax upon machinery in the colony. What does it mean? It means that all the producing industries in the colony are to be taxed at the present time—the agricultural industry, the mining industry, and the sugar industry especially. In fact, the pastoral industry may be considered just as much, because a large amount of machinery is used in that industry in this colony. This proposal means simply handicapping the industries of the colony. At a time like the present some enlightenment ought to be shown. The Treasurer should have found something that will bear taxation without burdening any particular industries. Gold-mining is flourishing, undoubtedly, at the present time; but if it is proposed to tax gold-mines, cannot it be done in a better way than by putting a tax upon machinery? Is it not folly to hold out with one hand £50,000 to help the poor down-trodden sugar-growers, and before we come to the consideration of that vote to ask them to pay a duty of 5 per cent. on machinery? In one case, the agricultural industry is so depressed that it wants loans to keep it up; and in the next place, before we consider the proposals in regard to these loans, we are asked to put additional taxation on the machinery to be employed in the industry. The Government have put themselves into this position—they have made taxation inevitable; but by the way in which it is introduced we might almost fancy that the Treasurer was surprised into it by sudden revelations. It appears as if all at once a plague of rabbits had come near our western boundary; he appears to have heard it for the first time, though the rabbits have been

working up for the last twenty-three years from Geelong towards here, and there has never till now been any alarm sufficient to make a Treasurer pause in the formation of his Estimates and say, "On this account I must revise the whole of my tariff, and put on additional duties." I think I have made very plain two things, Mr. Speaker—1st, That from the extravagance of the Government and the failure of the land revenue a deficit was inevitable, and that an increased revenue was inevitable in the arrangements the Treasurer was to make for the ensuing year. That any Treasurer ought to have contemplated, because he saw as plainly as possible that he could not make the two ends meet, even on paper. I never saw that happen to a Treasurer before, but it has happened now; and he accounts for it in this way:—

"For, Mr. Fraser, we are not only called on to consider a possible disturbance of revenue, chiefly through deferred settlement at the present time on our large territorial estate, but we are also menaced by two external dangers which, while widely differing in character, may be found equally inimical to the future welfare and financial prosperity of the colony.

"The more insidious of these dangers is the pest of rabbits, from which the pastoral districts of the neighbouring colony are suffering, and which is gradually extending its ravages towards the Queensland border. It cannot be denied that this is a national danger which, if once allowed to gain footing in our extensive territory, would in all probability speedily destroy what has always been justly regarded as our greatest industry—namely, pastoral occupation and settlement.

"Government have deemed that the exigency of the danger admits of no delay or of any half-heartedness being shown in at once taking steps to arrest this plague, and while the Government of the adjoining colony do not as yet appear to have arrived at any determination as to dealing with this serious matter the Government of Queensland intend to act while they deliberate. Accordingly, hon. members will find attached to the Estimates for 1885-6 a Special Supplementary Appropriation, to be defrayed out of the Surplus Cash Revenue balance of the year 1884-5, to the extent of £100,000, to provide for the prevention of the incursion of rabbits, an amount which it is intended shall be expended in fencing out this pest; and I feel assured that this prompt action of Government will be commended by all classes of the community who have at heart the permanent welfare of the colony."

The next thing we are told is that sudden emergencies have arisen which force the Government to make provision for central sugar-mills in the depressed districts. The rabbits and the depressed sugar industry are made the text on which hangs the motion moved by the Treasurer the other night before he sat down, for an increased duty on spirits, machinery, timber, and beer. Such a complete *non sequitur* I have never seen before, even in a Treasurer's financial statement; I do not see what possible connection there can be between the two. Does he think for a moment that this side of the House is to be gulled by the argument that unless we vote the duties we shall not get the £100,000 for keeping the rabbits out? Or does he think the sugar-growers will be gulled by the probability of not getting £50,000 for central mills unless additional taxation is imposed? If these are the items for which money is wanted, I think we might have found much better means of raising it than from the articles proposed by the Treasurer. The party at present in power have always professed to make the incidence of taxation for the purpose of railway construction fall on property, in some shape or form; but this is a complete departure from their own platform. Ever since the present Premier has taken a large interest in the party, he has never been tired of enunciating the principle when sitting on the Opposition side; but as soon as a little deficiency exists in the Treasury, he flies to the ordinary Customs duties for the purpose of getting the

amount of the contemplated deficiency. But the amount the Treasurer contemplates as likely to be the deficiency is far too small; he calculates it to be £90,000. Does he think for a moment that £90,000 is going to fill up the deficit caused to future Treasurers by that enormous blunder, the Land Act of 1884? Does he not see as plainly as possible that the rents expected to accrue from that Act will not accrue? Does he not see also that that Act, so far from settling people on the land, has been the best means for locking up the lands ever devised by any Minister in any of the colonies? Does he not see the way it is acting now—that no settlement is now taking place? And every one of the officers of the department possessing any knowledge of settlement under the previous Land Acts has come to the same conclusion: that the Land Act as passed by this House will have only one effect—that of completely locking up the lands of the colony. The Treasurer knows, or ought to know, that he has to make up a far larger deficiency than that for which he has provided, and that it will not be made up by an increase of the duties on three or four articles such as he has proposed. Possibly the motion may have been put forward as a feeler to find out how protection goes down in this House, so that the other side may have another flag to hoist, now they have lost their prestige connected with the lands of the colony. After having made such a gigantic failure, do they imagine it is possible that they will be entrusted further with the finances of the colony for the purpose of making up the large revenue they anticipated? I never thought I should have had to read so many lectures to the present Government on their extravagance in spending money that has been borrowed in London. I remember the time when the same men made every kind of ingenious excuse to their constituents for not borrowing, which they characterised as the worst policy any Parliament could follow. They lost office chiefly through their want of heart in respect to borrowing money when it would have done good to the colony; and now they go to the opposite extreme and try to ruin the colony by borrowing to an extent hitherto unknown in the history of the colony. We know now what is the intention of the Government. The Minister for Works intimated in an after-dinner speech made last Saturday on the Darling Downs that it was the intention of the Government to spend two and a-half millions of money per annum. Let anyone consider our position at the present time and they will see that this proposed expenditure of borrowed money is greater than any producing industry of the colony—it is not equalled by any two of our producing industries put together. The statistics for this year have not been put upon the table of the House, but the whole of the gold, copper, silver, tin, and other minerals that we produced for 1884 amounted to £1,187,189, and the whole of the amount of the wool exported last year amounted to £1,129,408, making £2,316,597; so that two of our largest industries—our two largest industries, in fact—making up more than two-thirds of the whole of the produce of the colony, are not equal to the proposed expenditure of the Government per year. No wonder the Minister for Works turned round the other day and reviled the hon. member for South Brisbane in speaking about our position at the present time. I did not hear what the hon. member for South Brisbane said, but I heard the way in which his speech was commented upon by the Minister for Works. The Minister for Works told us plainly that this country was in a perilous position, and admitted that if our loan was not floated it would be disastrous to the community. So it would, but whose fault will it be? We have a Ministry in

power who have put all their eggs in one basket, and are greatly dependent upon our credit in London for carrying us through. Not only our ordinary credit, but extraordinary credit, because it is only a few years since we were told that we should on no occasion borrow more than one million, and the Government now propose to borrow two millions and a-half per annum before they have found out even whether the national creditor is prepared to lend it to us. I believe myself that the Government are aware that they have got the country into a perilous position. They see it now, and they have taken the wrong means to remedy it, and they have further taken the remedy too late. The proper remedy would have been to have gone in for a course of wise economy two years ago, but instead of that they have plunged into the most reckless extravagance. That extravagance we see is still to go on, because the Estimates submitted to us might be curtailed to a very considerable extent, without such curtailment injuriously affecting the efficiency of the Government service. That extravagance still goes on, and we see an attempt made by the Government to tax sources of revenue in a way they have always been understood to oppose. How often have we been told by the Colonial Treasurer that whatever taxation takes place it should not be through the Custom House? It is only a little while ago, also, since we were told that, so far from additional taxation being necessary, the Government would be able to go in for a remission of taxation, and the first thing would be to remit taxation through the Custom House. What is the result? We have now through pure extravagance—it can be put down to no other reason—to ask the country for additional taxation. Hon. members may say—and I have no doubt they will make the most out of it—that this is due to the misfortunes of the country. I know perfectly well that the agricultural industry has suffered a great deal and that the pastoral interest has suffered deplorably. We all know that, and we have known it for years; so that it is no excuse for the Government. It would be a great pity if the misfortunes of the country should be the reason given why we should excuse the Government for almost everything. The misfortunes of the country have been palpable to the Government—at all events, they have been palpable to the whole of the people of the colony. We preached economy to the Government, and what did they reply? They ignored our prophecies, and replied, “We will have plenty of money,” and plunged into extravagance. Our producing industries, with the exception of gold, are in a worse position than they have been in for many years, and yet we are called upon to tax those producing industries for the purpose of carrying on the ordinary work of Government. I do not think the Treasurer has a very confident hope, or rather persuasion, that no difficulty whatever will occur in borrowing at the rate of two and a-half millions per annum in the London market. I can say that I do not share that persuasion, nor do I share the hope. I do not think myself that we have much hope of getting instalments of borrowed money at the rate of two and a-half millions for three years following, or anything like it; and I believe the Treasurer calculates upon that amount. It is not more than three years ago that we had to make most extraordinary efforts to get our debentures sold in London. Better times have come for us now; not that we have bettered our condition to any extent, because that has not been so, but circumstances have changed in England, and the misfortunes and depressions of her trade have not afforded her opportunities for investing her wealth; and

we have benefited by that. Let changed times come again over England—let those times come again in England when every man there was busy, and she supplied the world with commodities—let that time come again for England—and I hope it will come; and then we shall see that, instead of having money-lenders running after us to lend us money, they will probably give us the cold shoulder. If the people in London knew the position we are in at the present time they would not be so fast in offering to lend us money as they are now. The Colonial Treasurer has not disclosed to them our position in regard to our producing industries. He has hoodwinked them all through. He tells us that he has borrowed two and a-half millions of money, and says deliberately that he expects no revenue from the land; whereas, when he borrowed that money he actually authorised the Agent-General to issue a prospectus, in which the money he anticipated he would receive from the operation of that Act was to cover the whole of the money that would be required for that loan. In the correspondence that was put upon the table of the House we have his instructions to the Agent-General set forth in a prospectus. We could not get from the Treasurer his anticipations financially from that Act. At least, as I said, he ventured his opinion that from the first year he would get £111,000. The Premier ventured his opinion in the same debate; and he said we would get £100,000 increased rent from the squatters, and £50,000 increased rent from the land—that is, every year; £50 for the first year, and £100 for the next year, and so on. But what he authorised the Agent-General to say was this:—

“By the new Land Act passed during the last session of Parliament an end was put to the further alienation of the public estate in large areas; and provision was made for the division of existing runs, of which one portion will be leased to the present tenant for a fixed term of fifteen years, with compensation for improvements; while the resumed portion will be subdivided for settlement in farms of from 5,000 to 20,000 acres, and leased for a fixed term of thirty years. These farms will be let at a rent very considerably in advance of the nominal rates heretofore received;”—

That is not true—

“and when once the Act comes fairly into operation—which, however, will not be for a year or two—there is little doubt that the increased and permanent revenue from this source alone will prove sufficient to meet the entire charge of the new loan.”

Is that not misleading? I say it amounts to a distinct falsification of facts. The Colonial Treasurer ought to have seen that perfectly. He commences by expressing the opinion that the Land Act would yield a million. We kept him down and asked him when that million would be produced. At last, after many days' debate, we forced from him the admission that he estimated that the Land Act would produce £111,000 the first year. Very well. We have now got the Act into operation, and we have got the Treasurer's estimate of the revenue we are likely to receive from it. He says we are going to receive £30,000 under the Act, and he puts down the expenses of working it at £37,000. So that after the statement made by Mr. Garrick, Agent-General, that in two years it would be self-supporting, we find that instead of that being the case the Government actually tell us that there will be no revenue derived from the Act, but that its working will show a distinct loss to the country. It is useless to enter into the details of the Estimates and criticise them, and I will not follow the example of the Colonial Treasurer in this respect, because there is enough time for us to do that, and we have always taken advantage of our opportunities to criticise both revenue and expenditure when the Estimates are going through. I have taken

this occasion for the purpose of showing the Government the position to which they have brought the country by their extraordinary policy of borrowing money before they had provided the means of paying the interest. They may attribute their failure to the bad seasons, as I have already said; they may say that they are due to circumstances over which the Government have no control; but people who have been watching the colony know otherwise. I believe otherwise, and that although the Government have been unfortunate in this respect they have not been more unfortunate than I was when I took office in 1879. The members of the Government then tried to force increased taxation on the present Opposition, but we resisted it and they failed. And I contend that if they are of opinion that taxation is the only way to make two ends meet at the present time they ought to consider the incidence of that taxation more thoroughly than they have done, and not jump at a rash conclusion in the way the Colonial Treasurer has done in making the resolutions before the Committee of Ways and Means. But I believe that the country is not reduced to the condition that additional taxation is necessary, and I believe the Government are responsible for the present state of affairs. If they are the Liberal party they profess to be, let them set an example to the colony, reform the Civil Service, and decrease the expenditure of Government, and then they will not require to put the additional burdens on the people now proposed by the Colonial Treasurer.

The PREMIER: Mr. Speaker—

The SPEAKER: Before the hon. member replies I would like to point out to the House that the Colonial Treasurer made his Financial Statement in Committee of Ways and Means, and concluded his speech by moving a series of resolutions involving additional taxation. Therefore, until those resolutions have been reported to the House the House cannot take cognisance of them. According to "May's Parliamentary Practice," it is laid down that "until such report has been made no reference may be made to it or to any other proceedings of the Committee." And Mr. Speaker Lefevre, in "Bourke's Decisions," at page 116, lays it down that "all allusion to anything which has passed in a committee of the House is decidedly irregular because, until the committee has made its report, the House is not in possession of information on the subject." It appears to me, therefore, that a debate cannot take place upon such an important question as this with the Speaker in the chair, when the Treasurer has proposed certain resolutions in Ways and Means.

The PREMIER: No doubt that is the regular rule, sir, but it certainly has not always been observed by this House. On more than one occasion the Financial Statement has been made in Committee of Supply and the debate has taken place in the House. This course has certain advantages, and, as I have said, I know it has been followed before. I do not desire to dissent from your ruling: I simply point out that the hon. gentleman has not committed any innovation in discussing the Financial Statement in the House.

The SPEAKER: The point I wish to make clear to the House is that financial statements have been debated on previous occasions with the Speaker in the chair, but not when a series of resolutions have been proposed for additional taxation.

The HON. SIR T. McILWRAITH said: Mr. Speaker,—The rule in "May" which you have just read would prevent us making reference to anything that has taken place in committee until it has been reported to the House, so that it applies

generally to all financial statements. So far from there being any innovation on the present occasion I may say that I have several times discussed a financial statement, and have always done so in the House.

Mr. MOREHEAD: Not when there were resolutions for additional taxation.

The HON. SIR T. McILWRAITH: Because the Ministries were not in the deplorable condition the Government are in at the present time. There is not the slightest objection on my part, sir, to go into committee. I offered you a chance of my support if you had ruled me wrong before I commenced.

Question put.

The HON. SIR T. McILWRAITH: I do not think we should go into committee now. I expect you will have to stand out of the debate, sir. When we look up this debate hereafter, or when some future politicians look it up, it will be very embarrassing to find one part in committee and the other part in the House. I think we had better go on as we are.

Mr. MOREHEAD said: Mr. Speaker,—I am sorry I cannot agree with the opinion of the leader of the Opposition. If your ruling is correct we should carry it out, and I shall certainly support the motion of the Colonial Treasurer, as I shall have more frequent opportunities of speaking in committee than I should have under present circumstances. I make this remark not for myself, but on behalf of hon. members who may wish to speak more than once.

The PREMIER said: Mr. Speaker,—I think it would be convenient that some observation should be made now in answer to the speech delivered by the leader of the Opposition, and unless you rule me distinctly out of order I should like to make a reply. The hon. gentleman—

The HON. J. M. MACROSSAN said: Mr. Speaker,—I think this is a very irregular course for the Premier to adopt. You got up to put the motion that you yourself leave the chair, and I think that question should be decided either one way or the other. Let it be decided whether the debate is to be continued in the House or Committee. That has not been decided, and it should be before the hon. member proceeds to reply to the leader of the Opposition.

The PREMIER: The hon. member for Mulgrave has addressed the House upon the motion that you leave the chair, and I propose to offer a few observations in reply. Of course it was perhaps irregular that he should have made his speech in the House, and it would be quite as irregular for any reference to be made to it in Committee of Ways and Means. I fancy it would be inconvenient that the debate should be broken in that way unless the hon. member's speech is to remain the sole element of the debate.

The HON. SIR T. McILWRAITH: It is not worth arguing about. If you decide, Mr. Speaker, that it is against the rules of the House or the practice of Parliament to discuss the question further, that is a different matter; but I do not think it is of much consequence whether the discussion takes place in the House or in Committee of Ways and Means.

The SPEAKER: My only object in drawing attention to the point was that the ordinary rules of debate should be conformed to, because otherwise much inconvenience might result. It would be decidedly irregular to refer to the resolutions when the Speaker is in the chair, because the resolutions can only come before the House when they have been reported.

The HON. J. M. MACROSSAN: I think it would be convenient to adjourn the debate until to-morrow, and then for the House to go into

Committee of Ways and Means and the speech of the hon. member for Mulgrave to be delivered over again.

The PREMIER: We will take it as delivered.

The HON. SIR T. McILWRAITH: My speech can be taken as read at the opening of the committee.

The SPEAKER: It is quite competent for the House to hear the Premier in reply and then to go into committee. Perhaps that would be the most convenient course if the House consents to it.

Mr. STEVENSON: I think, as you have decided, Mr. Speaker, that the debate is going on in an irregular manner, the sooner we stop it the better.

Mr. SCOTT: I would point out that the speech of the leader of the Opposition referred mainly to these resolutions, which, according to the ruling of the Speaker, cannot be brought forward until they are reported. In reply, the Premier will have to refer to the resolutions or he will not be able to refer to the speech of the leader of the Opposition at all. The ground will be considerably cut from under his feet if he is not allowed to refer to the resolutions.

Question put and passed.

Question—

That, towards making good the Supply granted to Her Majesty, it is desirable,—

1st. That there be raised, levied, collected, and paid, in lieu of the duties of Customs now levied upon the undermentioned goods, the several duties following, that is to say—

Brandy and other spirits, or strong waters of any strength, not exceeding the strength of proof of Sykes's hydrometer, and in proportion of any greater strength than the strength of proof, 12s. per gallon.

Spirits, cordials, or strong waters, sweetened or mixed with any article so that the strength thereof cannot be exactly ascertained by Sykes's hydrometer, 12s. per gallon.

Timber, logs, 1s. per 100 superficial feet one inch thick.

Timber, undressed, 1s. per 100 superficial feet one inch thick.

Timber, dressed, 1s. 6d. per 100 superficial feet one inch thick.

2nd. That there be raised, levied, collected, and paid upon the undermentioned goods when imported into the colony, whether by sea or land, the duties following, that is to say—

Machinery for manufacturing, sawing, and sewing; agricultural, mining, and pastoral purposes; steam engines and boilers, 5 per cent. *ad valorem*.

3rd. That there be raised, levied, collected, and paid upon all beer brewed or manufactured within the colony of Queensland an excise duty of 3d. per gallon.

The PREMIER: I think, Mr. Fraser, that we may take it that the speech of the hon. member for Mulgrave delivered in the House was, in effect, delivered in Committee of Ways and Means, and I now propose to make a few observations upon it. The hon. gentleman's speech mainly consisted of accusing the Government of having, by their extravagance and incompetence, brought about an unsatisfactory result in the finances of the colony—extravagance in the expenditure of money and incompetence in their land legislation. That was the burden of the hon. gentleman's speech. It is very easy to use the word "extravagance," but it would have been more to the point if the hon. gentleman had pointed out particulars in which the expenditure, which has already been increased by the Government or which is now proposed to be increased, could have been reduced without seriously affecting the satisfactory conduct of the different departments of the Government. That is a task which I will invite

the hon. gentleman to undertake on a later occasion if he can, or I will invite any hon. gentleman on that side of the Committee to satisfactorily prove such an assertion without making vague charges of extravagance and incompetence which have little weight and which cannot be supported by reference to the expenditure in any department that can safely be reduced. With respect to the charge that the Government have brought about the alleged unsatisfactory state of things to which the hon. gentleman has referred, and are responsible for the incompetency to which he has alluded, I hardly think his statement will seem credible even to himself. The hon. gentleman has referred more than once to the operation of the Land Act of 1884, and has referred to it as an Act which has been in operation for two years; but he must know perfectly well—and hon. gentlemen must know perfectly well, and the country must know perfectly well—that the Act has not been in operation for more than four months, and that, in fact, it is not in operation at all so far as the public revenue is concerned. He knows perfectly well that the time for bringing runs under the Act has not expired, and that not more than half-a-dozen runs have been dealt with—that selection has been nearly suspended, for reasons we all know very well, which I will refer to further on; and to say that any deficiency in the finances of the colony is owing to the failure of the Land Act, which has not actually come into operation, is surely to presume on the ignorance or carelessness of his audience to an unwarrantable extent. The hon. gentleman, of course, objects to everything the Treasurer has said and done. He objects to his anticipations, he objects to his conclusions, he objects to his proposals, he objects to everything; and he began by renewing an objection he made last year to the manner of keeping accounts. Opinions may differ as to the best way of keeping account of those items which were formerly called surplus revenue, but which were last year called special appropriation, and were then proposed to be dealt with by the Appropriation Act as they had never been dealt with before. As a matter of law, up till last year, all what was called the surplus revenue lapsed on the 30th September, although it has been the practice to go on spending it as if it had been specifically appropriated and turned into a trust fund. It will be necessary at some time to bring in an Act to indemnify past Colonial Treasurers for this unlawful appropriation. The Government found a sum of money to the credit of the Consolidated Revenue Fund, and they left it there, but they included in the Appropriation Act an authority to carry on the expenditure of that money beyond the expiration of the financial year. They did not take the money out of the consolidated revenue, put it into a trust fund, and keep a separate account of it. There are some reasons why that would be a convenient way of keeping the accounts, because when an amount representing the savings of previous years is set apart as a kind of extra expenditure not intended to be repeated in every subsequent year, it is convenient that it should be set aside, so that the ordinary expenditure of the year might not appear to be so largely increased. On the other hand, the result of keeping the accounts in that way was that the balance of the consolidated revenue was not a true balance. These sums, although we affected to treat them as not part of the consolidated revenue, were nevertheless part of the consolidated revenue, and the balances which were represented as standing to the Revenue Account were really fictitious balances. The balances were very much greater than they were represented to be, and we were continually reducing them. So that each of these ways of keeping the

accounts has its advantages, and probably the best way would be to keep them in both ways; a table showing them one way should be followed by a table showing them the other way, and I shall suggest that to my hon. colleague the Colonial Treasurer. One disadvantage of the change of system, of course, is that it breaks the continuity, and some explanation is needed to show how the accounts stand in comparison with preceding years. The result in the present year is this: It appears that we have spent during the twelve months of last financial year £2,819,000 while our revenue for the same period was only £2,720,000 that is, that we have spent £99,000 more than our income. But that is only apparent, because we have spent during that period a considerable amount of savings of previous years, which we had set aside for specific purposes. So that instead of the Government having during the last year spent more than they got, in the ordinary sense which those words convey to any ordinary person, they, as a matter of fact, spent a good deal less than they got. The ordinary expenditure of the Government during the year, attributable to that year, was less than their revenue for the same period by some £25,000, and that notwithstanding the unexpected and extraordinary demands which were made on the Treasury for various matters to which I need not at this moment refer, but which are quite familiar to hon. members and the country at large. The fact is that, leaving out of consideration the £310,000 which was specifically appropriated at the beginning of last year out of savings we then had, the credit balance on the 30th June last was £167,000 as against £134,000 twelve months before. That is the fact—during that period we actually increased the balance standing at the credit of the consolidated revenue by £33,000. Well, sir, so much for this new way of keeping accounts. I think that, having regard to the extraordinary and unexpected expenditure I have referred to, and to the difficulties the Government have had to contend with in common with every industry in the colony with a few exceptions, it is not to be wondered at that there is not a larger surplus on the year's transactions. On the contrary, considering the depression that has existed—considering the extremely unpropitious weather with which we have been afflicted for a much longer period than that year, the colony is to be congratulated that, at the end of the year, our finances are in so good a condition. The hon. gentleman makes no allowance whatever for the season; it is all the fault of the Government. Well, sir, if under such disadvantageous circumstances we can do so well, I can only say I should like to have the opportunity of trying what we can do when we have seasons as propitious as most of those during which the hon. gentleman held the reins of government. If we can save money under worse circumstances—

The HON. SIR T. McILWRAITH: Save money indeed!

The PREMIER: I think we can hold as firm control over the expenditure of the colony as the hon. gentleman. And, as I shall have occasion to point out directly, if we had adopted the same means of raising money as the hon. gentleman we might have had a surplus of nearly half-a-million by this time—so-called savings. But, be it borne in mind, we have brought about these results in spite of adverse seasons, and in spite of the unforeseen expenditure of a very large amount, whilst we deliberately rejected a source of revenue the hon. gentleman relied on during nearly the whole of his term of office—the squandering of the public estate. The hon. member spoke of that imaginary surplus of

£700,000 he left in the Treasury. I will give hon. members the real figures about that directly.

The HON. SIR T. McILWRAITH: So will I.

The PREMIER: We shall see what that surplus was; what were the correct figures representing it; and also how it was made up. But before referring to that, I shall deal with some smaller points the hon. gentleman raised in his criticisms at the commencement of his speech. He called attention to the fact that the Colonial Secretary's Department, the Department of Public Instruction, and the Department of Justice had exceeded their estimates. That is quite true, and it is true from circumstances over which practically the Government had no control. In the Colonial Secretary's Department the extra expenditure was incurred mostly in connection with contingencies for the police, caused by the extraordinary cost of forage and maintenance of the police owing to the bad season in the interior; and the expenditure for public defence. There was also an extra expenditure on account of stores. Those were the main items, and over them the Government had no more control than they have over the weather, unless they were prepared to sacrifice the efficiency of the departments by refusing to spend the money. What sort of economy would that be? I think no one would attempt to justify such economy as that. As to the expense of the Department of Justice, that was a matter over which, again, the Government had absolutely no control. The rates paid to jurors and witnesses are fixed by law and have to be paid. If there were more jurors and more witnesses called, or if they came from longer distances to criminal trials which took place during the year, surely that is not a matter for which the Government can be blamed. They had to pay the money; or they might have adopted the other course, and allowed the criminals to go unpunished. They declined to do that, and consequently there was an excess of expenditure over the estimate in that particular. With respect to the very large increase in the Department of Public Instruction, that arose principally—almost entirely—from the number of new schools that were required. That is a matter over which the Government, in one sense, can hold a firm hand. They can, if they please, say, "Here is a vote of £20,000 for new schools. It is true there are children in all parts of the colony of proper school age to warrant the opening of new schools; and it is true the residents have subscribed their proportion of the cost of building the schools; but Parliament has not voted the money. Let your children remain uneducated, and let your schools remain unbuilt, until the money is voted next year." But that is not the way in which the department has been administered since it was first established ten years ago, and I trust it will not be. The increase in that department has been owing entirely to the increased number of children in the centres of population where schools were required, and which the Government did not feel justified in refusing. Knowing the temper of this House with respect to education, they did not feel justified in telling the people that they must wait until the Estimates for next year were voted before they would get their schools established. Those are the reasons for the excess of expenditure in those departments, and our critics, who have attacked the Government for not keeping a firm hand over the expenditure in those departments, are just as well aware of them as I am. The criticism directed to that subject has been extremely unfair. We have sins enough to answer for, and when we are accused of them we shall make the best answer we can, but we have not

been guilty of any sins with reference to this. The hon. gentleman talks of large "permanent increases." I will refer to that when I say what I have to say on the subject of extravagance—extravagance in the framing of the Estimates and in the expenditure of money. He says there is a large decrease of permanent revenue. The hon. gentleman seems to be incapable of looking further ahead than twelve months at the outside. He says he sees a permanent decrease in the land revenue. So there is—in the revenue arising from the alienation of land, which I trust will be permanent and perpetual. There is no doubt a temporary decrease in the land revenue, and the hon. gentleman refers to it to show the incapacity of the Treasurer and the incapacity of the Government. No doubt the revenue derived from the Land Act of 1884 does not by any means come up to the amount placed on the Treasurer's Estimates for last year. Surely the hon. gentleman has a short memory, or thinks we have! Does he not remember that those Estimates were framed before the Land Bill was introduced; that when they were prepared the Act was expected to come into operation on the 1st January, and that under it there would have been selection before survey? Has he forgotten that after the Estimates were introduced, and after the Treasurer's Budget Speech was delivered, this House determined to substitute the principle of survey before selection for selection before survey, and also postponed the commencement of the Act from the 1st January to the 1st March? Any sensible man can see that under those circumstances the revenue put down under entirely different circumstances could not be expected to be realised—and it was not realised. There is nothing to be ashamed of in that. The hon. gentleman then referred to what he called a deficit of £170,000 on this year's transactions—an estimated deficit. The hon. gentleman does use words in such a funny way. The Colonial Treasurer estimates a deficiency of £23,000. We have in hand now £167,000 of savings, and we propose to spend of these savings £150,000 for purposes not forming part of the ordinary year's expenditure. This is the proper way to talk about the deficit: You have £167,000 of savings in hand, of which you are going to spend £150,000 for extraordinary purposes; the result will be that you will only have £17,000 left of your savings to go against a deficiency of £23,000. That way of working out the sum shows a deficit at the end of the year of £6,000—not £170,000, as the hon. gentleman says. But he works the sum out in such a curious way, just as if he were to say that a man having £100,000 in his bank and spending £120,000 would be left with a deficit of £120,000. I know figures may be made to prove anything, but when the hon. gentleman makes £6,000 into an imaginary £170,000, it shows that financiers of even the highest reputation must have their figures carefully looked into.

Mr. ARCHER: Was the whole of this £167,000 saved during the present year?

The PREMIER: We propose to spend during the year more than we expect to get from revenue, and we intend to take £150,000 for that from the savings of past years. We intend to take a much greater amount still from the money we have borrowed, which the hon. gentleman might as well call a deficit as call the expenditure out of savings a deficit. Then the hon. gentleman told us we were going in for excessive taxation—not referring to the proposed additional taxation, but to the existing forms of taxation—and said it was a deplorable thing, and that Queensland was the heaviest taxed colony in Australia. As a matter of fact the colony is not as heavily taxed per head as it

was when the hon. gentleman was at the head of affairs. Was it deplorable then? If it was why did he not reduce it? The mere fact of taxation often shows rather the prosperity of a country than otherwise, and our taxation—the Customs revenue, for the revenue from public works and services cannot be called taxation—does not press hardly on anyone in the colony. The hon. gentleman next referred to excessive expenditure on the Defence Force, which he said was permanent. I will defer what I have to say on that question until I deal with the general question of extravagance. Then he passed on to the subject of the floating of the loan, about which he made some rather strange statements. He said, first of all, that it had not been opposed in England to any serious extent; and he also accused me of having had something to do with trying to prevent the floating of his loan in 1879 and 1880. I challenged the hon. gentleman to give me the name of his informant, which he very wisely declined to do.

The HON. SIR T. McILWRAITH: I did not. I said the letters were written by a party who gave the hon. member as his authority for all the statements he made.

The PREMIER: I should like the man's name. Can the hon. gentleman give it?

The HON. SIR T. McILWRAITH: Yes; but I cannot give it from memory.

The PREMIER: As a matter of fact I was not in England when any loan was floated, or had any communication with anyone in England, or from here to England, or with anyone whatever in connection with the floating of that loan. The first portion of the loan of 1879 was floated when the hon. gentleman was in England, and the rest of it was floated in 1881 after the hon. gentleman and I had both returned to this colony; and no question had occurred with respect to the floating of it while I was in England. I should like to know the name of this person, because it is very hard to contradict a statement made by an unknown accuser. I should like to know who he is, and what information I am said to have given him. The attempts to damage the last loan, there can be no doubt, were deliberately made by persons who did not want the scheme of government at present adopted in this colony to succeed—persons who think they can manage our business for us better than we can do it ourselves—the same people who a little while ago were making a claim to be recouped the money they had expended in inquiring whether they could profitably exploit the colony of Queensland. When I say people who think they can manage our affairs better than ourselves, I mean the people who want to make our railways for us. The letters that were circulated in England evidently came from one source, because they are almost copies of one another, and I think they bear upon the face of them intrinsic evidence that the information was supplied from Queensland for the purpose of being made use of in England. I do not think that the extracts from the Treasurer's speech would have been likely to have been selected so carefully as they were or circulated in so many different places unless special attention had been drawn to them from outside England. That is my own conclusion. There is every reason to believe that these attacks upon our loan did not come from the brokers, or from persons interested in reducing the price of the loan; and it is a singular fact, Mr. Fraser, that, notwithstanding those efforts, our loan was a very great success in more ways than one, and particularly in this: that nearly all the subscribers to that loan were men who subscribed for themselves; they

were not brokers buying to sell again, as might have been expected would have been the result if the attempts that were made to injure the loan had been made by men who were endeavouring to "bear" the market, so as to be able to buy at a low price. In fact, the greater part of the loan was absorbed first hand; that is to say, by people who intended to keep the investment when they had got it. That, I think, is a very unusual thing with colonial loans, because we have often heard as a reason why a particular colonial loan should not be floated that the previous loan had not yet been put off by the people—the middlemen who bought in the first instance. That is a matter upon which, I think, we can congratulate ourselves—that our loan was taken up almost entirely by men who bought it to keep. With respect to the statement the hon. member made that the Bank of England made no offer to advance us money, here are the papers. The hon. gentleman quoted a particular portion of one of those papers; but there was a previous paper, sir, that he did not read—a letter, dated March 11, from the Agent-General to the Colonial Treasurer—page 2 of the return, No. 7, in which he says:—

"I have seen the governor, deputy governor, and chief cashier of the Bank of England several times upon the question of bringing out our loan, and impressed upon them the desire that we should not be forestalled by any of the other colonies. They have been unanimous in advising in the strongest terms against any loan by Queensland under present circumstances. 'And even,' they say, 'if we knew the other colonies would be before us our advice would be the same.' * * * * * The Bank of England say, if at all needful, they would always help us by advances, etc. I have stated that this is not required, and that the money is not at once wanted, our only desire being not to miss the earliest chance which others are sure to avail themselves of. * * * * * I may say that there are those at work here who would be only too glad to see a failure occur."

That is the first we heard of it, and then, when that letter arrived here and the danger of war was great, and the bank were pressing their advice not to go on the market at once, I telegraphed to the Agent-General and asked him what amount the bank would let us have. That is the history of the matter. The statement of the offer of the bank communicated in Mr. Garrick's letter was as unexpected by the Government as it was gratifying to them. So much for that, Mr. Fraser. The next point the hon. gentleman adverted to was some praise of his own financial administration or that of his Government, and he told us that extraordinary story that when he left the Treasury there was a cash balance of £700,000 there. I suppose the people he told that to, at Bundaberg, thought it was very surprising where the money was all gone, and that there had been an extraordinary amount of extravagance displayed by the succeeding Government. Of course, the facts are not so. I have no doubt the figures the hon. gentleman gave us are correct—that on the 31st October there was £691,000 cash balance in the Treasury, and that on the 30th November that had increased to £777,000. I apprehend that result may be found, if not in such large figures, at the end of almost any year. But on the 31st December we have to meet the half-year's interest on our loans, and in that year the amount that had to be paid on the 31st December was £349,000. I think if a man has a balance at his bank, and has also a large quantity of outstanding cheques, he can scarcely say he has a surplus represented by the amount that nominally stands to his credit at the bank. That amount of £349,000 had to be paid on the 31st December, and if we take that from the £777,000 we find there was £438,000 only. Remember, also, that at that time the pastoral rents, which were paid

in September, had just come in. That is the time of the year when there is the largest sum in the Treasury. The hon. gentleman, when he stated the fact that there was £700,000 or thereabouts in the Treasury, might have let his audience know—if he did not wish them to misunderstand him and draw erroneous conclusions—these other facts. There is always a large sum at that time of the year in the Treasury, and against that has to be set the interest accruing on the loan at the end of the year. If the hon. gentleman wishes to boast about his financial administration let us inquire for a moment how this balance was made up, and when the hon. gentleman talked afterwards, on the same occasion, of how this amount had been dissipated, we must remember how it really was dissipated. In the first place, of that so-called surplus of £438,000—the difference between £777,000 and £349,000—£310,000 was appropriated under special appropriation, and was taken out of that, leaving actually a balance to go on with of £128,000, which balance now stands at £167,000; so that we do not appear to have done so badly, notwithstanding the adverse seasons. But let us consider how this so-called surplus was made up. I wish hon. gentlemen and the country generally to know this, because it is very important and is an indication of a very distinct difference between the policy of the present Government and that of their predecessors. During the time the hon. gentleman was in power he put into the consolidated revenue £382,000 from the Railway Reserves Fund, a trust fund which had been raised by extraordinary sales of land, especially for the purpose of railway construction—£382,000—a sum almost sufficient to absorb all that balance. But that is not all. During the three years of his administration, before the 30th June, 1883, they realised by auction and pre-emption £586,000. That was by the alienation of the capital of the colony. If we add together these land sales and the money taken from the Railway Reserves Fund, there will be £970,000. That is where the money came from. As a matter of fact, if the ordinary average rate of raising money from land sales had been preserved while the hon. gentleman was in office he would have left a large deficit on his whole administration. Giving him credit for raising half that amount—say £100,000 a year, which would have been a fair average for land sales—it would have left him about £670,000 raised by extraordinary means. If we choose to have recourse to similar means we can always show a big surplus easily. But we prefer not to discount the future. We look further ahead and do not regard it as a wise thing to try and show a large surplus every year by any means, however reprehensible. We wish to place the finances of the colony upon a sound basis and not to squander the lands of the colony for the purpose of a temporary financial convenience. Those are the facts with regard to the imaginary balance of £700,000. Then the hon. gentleman referred to the Land Act. The Land Act, as I have already pointed out, is not yet actually in operation, and yet the hon. gentleman says that after it has been in operation for two years there is an increased expenditure under it, and the policy of the Government has failed. The answer to that is that the Act has not been in operation for two years. It has not been in operation at all yet, in any intelligible sense. It is nominally in operation; but it is only just beginning to come into operation as a source of revenue, and to say that there is increased expenditure—why of course there is. How are we to divide the runs in the colony, and how can land be surveyed before selection without expense? If a man builds a house there is necessarily an increase in his expenditure before there is any return,

Of course, you cannot let a house until you have built it—you must spend your money before you get any return. So the expenditure we have to make is necessary expenditure that will not increase. The expenditure for the division of runs is purely a temporary expenditure. The provision for the survey of selections is not a temporary expenditure, but it is one which will be recouped year by year by the repayment of the amount of the cost of survey which the selector will pay when he makes his selection. The hon. member knows that perfectly well. It is not a disbursement at all, really—it is an advance which will be immediately returned. So much for the increased expenditure in the Lands Department. The hon. gentleman knows there must be such an increase at the present time. There cannot be the slightest doubt that after two or three years the revenue under the Act will be large and continually increasing, because the revenue every year from new selections will be an addition to that of the preceding year, with a small additional expenditure which can scarcely be taken into account. I do not think we are too sanguine if we say that the revenue that may be expected to be derived from the Land Act after it has been in operation for a few years will be sufficient to cover the interest upon the ten-million loan. I believe in three years—at any rate, by the time that loan is raised—the additional revenue from the land under the Land Act, in addition to the revenue that would have been derived if it had not been passed, will be at least equal to the £400,000 interest upon that loan. It is idle to say the revenue is not yet received. We know it will be received. To quote words, not much known, but used by Lord Lytton, “The man who appeals to posterity must not be impatient of the verdict.” We do not exactly appeal to posterity, but the scheme will take three or four years to work out, and until they have elapsed it is idle to pronounce the verdict. Without referring to matters of detail to which the hon. member referred, I pass now to the charge of extravagance brought against the Government; a charge which it is easy to make and easy to prove, if there are any grounds; easy also to disprove, if grounds do not exist. Here are the Estimates. I do not propose to deal with them in detail, but to call attention briefly to the items of increased expenditure, to see where the extravagance is, because I take it it is not extravagant to keep public departments in a state of efficiency. It may be parsimony—that is not the exact word—to allow a man's house to fall into such a condition that he can get no rent, rather than spend the necessary money on its repair. It seems to me to be the opposite of extravagance, but extremely bad management at the same time. If a man puts a house into necessary repair to get a rent it is not extravagant; indeed, it may be wise to borrow money for the purpose; but if he goes in for luxuriously decorating it in such a manner that it will not produce an increased rent, that may justly be called extravagance. Now, let us examine these items of increased expenditure. One large item occurs in the schedule—municipalities and divisional boards: there is an increase of £30,000, but where is the extravagance? We could have avoided that by proposing to reduce the subsidies payable to divisional boards and municipalities, but we do not propose to do so, because we believe it wise, in order to encourage self-government and develop the country, that the subsidies should be paid. They are payable under the law relating to local government, and that involves, in consequence of the increased value of ratable properties, and the increase in rates on which Government endowment is paid, an increase to the extent of £30,000. The next large increase is in the public debt, but

that is not a matter on which the Government can be charged with extravagance, because they have to meet the amount to be paid. The next item is £7,000, put down for the expenses of members of this House. That, I do not think, is a matter which can properly be characterised as extravagance. Whether it is good policy or not is another matter altogether, but it is a matter of policy and not a question of extravagance in which the Government can exercise control by paring down expenditure. Then we come to the Colonial Secretary's Department, to which the hon. member specially alluded. There is an increase of about £47,000, and I will notice the largest items involving this increase. For the Registrar-General's Department there is an increase of £12,000, but that is made up, among other things, of an item of £5,000 for the census which is to be taken during this financial year. It will cost all that, if not more, before the 1st July; that will be the proportion to be paid before the 1st July. The census is bound to be carried out unless we are prepared to ask the House not to have the census taken next year, but that would surely be folly. We know that the redistribution of electorates is necessary, and the only basis on which redistribution can take place is a census. If we were so poor that we could not afford the money required for a census next year, there are special reasons why on this occasion we should seek some other means for reducing the expenditure of the colony than by suspending the taking of the census. The increase under the head of “Registrar of Titles” is only an apparent increase, because it is a new department, and last year the amounts were voted for nine months, while now they are required for the whole year. There is no unjustifiable increase in the department itself. Under the heading “Police” there is an increase of £11,000, and there you may say there is an opportunity for economy. So there is in one sense, but it can only be secured at the cost of efficiency. Settlement is increasing all over the colony, and there is the greatest difficulty in exercising economy to the extent of keeping the expenditure within its present limits. We propose to ask for fifty additional constables for places in different parts of the colony, and they will by no means meet the demands continually made for additional police protection. In the northern and north-western portions of the colony, as settlement increases, additional police protection is especially necessary, and I think it is impossible to secure the efficiency of the department without at least the additional expenditure asked for. In the Colonial Stores there is an increase of about £5,000, rendered necessary for the same reasons, because the departments supplied by the stores—police, gaols, and so on—are increasing in magnitude with the increase of the population of the colony. Nothing can be done in the way of reducing the expenditure of this department, because you cannot keep the men without clothes and food; these are expenses over which the Government have no control, except to the extent of seeing that there is no waste; and that control is exercised. To object to this increase is only to show a want of knowledge of the real circumstances of the colony. There is a large increase under the item for the Defence Force, which I do not propose to discuss at length. We know that during the present year there has been an exhibition of the most laudable spirit on the part of the inhabitants of the colony to enrol themselves in the force so as to become qualified for the defence of the colony. The Estimates under this head, passed last year, were for only a portion of the year, and since then the services of corps have been offered in all parts of the colony; and if the Government under the circumstances which

existed in the early part of this year had set themselves to discourage the formation of corps of the Defence Force and Volunteer Corps they would have laid themselves open not only to the reprobation but to the contempt of the whole colony, and the other colonies as well. The expenditure has been devised on the most careful and economical scale consistent with the existence of the corps who have offered their services to the Government, and which the Government under the circumstances were bound to accept. It is possible that not all the money may be required, but if the Defence Force is to be kept in a state of efficiency the expenditure will be required, and I should be sorry to see it diminished. With respect to the Marine Force there is also an increase. The amount granted last year was for only six months, whereas the sum set down now is for twelve months. In the item "Charitable Allowances" there is an increase of about £3,000, but that is an item in which very few members of the Committee will say that the Government ought to exercise economy, or in regard to which they will charge the Government with extravagance. I fear that when the Estimates are being discussed, so far from being so charged, they will, on the contrary, be charged with having shown a want of appreciation of the demands of various places in the colony where charitable institutions exist. So much for the increases in the Colonial Secretary's Department. In the Department of Justice there is an increase, consisting almost entirely of additional expenses of trials, in consequence of the larger number of criminal cases and the necessary expenses of witnesses and jurors; and these are items in which economy cannot be exercised, because the rates of expenditure in such cases are fixed by law. In the Department of Public Instruction there is a large increase, consisting mainly of increases for teachers and buildings. There is an increase in the number of teachers, other than provisional teachers, in the employment of the department, of 143, and the salaries of these teachers are fixed by regulations made under the Education Act. The increased expenditure for these salaries is £13,500. That is an item upon which the Government cannot be charged with extravagance, unless the persons who accuse them of extravagance are prepared to say that the Government ought to reduce the salaries of the teachers, or render the schools less efficient by reducing the number of the teachers—a position which is not likely to be taken up by any member in this Committee. These are matters upon which the Government cannot be charged with extravagance, any more than the Government of Great Britain can be charged with extravagance for the necessary steps taken by them for the defence of the Empire. With respect to buildings, an increase of £10,000 is asked for. Why? Because numerous buildings are required, as there have been two or three unusually large schools in abeyance for a considerable time towards which the inhabitants of the localities have subscribed their necessary quota, and the Government are obliged to carry out the works unless they are prepared to propose the repeal of the provisions of the Education Act—a course of action which the present Government are certainly not prepared to take. These are matters upon which, as the laws exist, the Government cannot avoid expenditure. In the Treasury Department there are also some increases, but they are mostly small matters. I challenge careful investigation of them, and it will be seen they are matters upon which the Government could not cut down the expenditure without reducing the efficiency of the service. The work of the department is increas-

ing, and you cannot get more men, more vessels, more lighthouses and lightships, or more vessels employed in the pilot service without more expenditure. You cannot secure these things without paying for them, and the increased trade and shipping of the colony demand this expenditure. In the matter of what may be called extravagant increases, in giving extra pay to men already well paid or appointing officers where they are not required—nothing of that kind will be found throughout the Estimates. In the Department of Public Lands there are of course increases arising, as I have already said, through the necessity of bringing the Land Act of 1884 into operation. But most of these expenses, such as the expenses of survey, will be recouped, and I look upon many of them in the light of advances which will almost immediately be repaid. In the Works Department, again, it may be said, "Here is extravagance." Well, I do not know where the extravagance comes in. There is a diminution in the amount for buildings from £86,000 to £67,000. Of course it may be said, "All these buildings should be left out and we would thus save £67,000." So they might in one sense, but the buildings set down only represent an extremely small proportion of those asked for. Every one of them is necessary. Some of the buildings are falling down through the ravages of the white ants, and are in such a condition that they may be blown away by the first gale of wind; and it would be but poor economy not to carry out such works as these. I do not think there are any items here upon which the Government can fairly be charged with extravagance. In the Railway Department there are, of course, additions. You cannot maintain 200 miles of railway for the same cost as 100 miles. You cannot employ thirty engine-drivers at the same expense as twenty. The only way in which you can exercise economy there is by reducing the number of men or their salaries. I am not familiar myself with the working of the Railway Department now, but I know that there are not any more men there than are wanted. You must either dismiss the men and have the work done inefficiently, or you must reduce their salaries. I do not think we have yet arrived at such a position that it is necessary to take such steps. There might be circumstances under which a general reduction of salaries would be necessary, but before taking such a step the Government are bound to look round and see whether some better course cannot be adopted. There is an increased expenditure in connection with the Postal and Telegraph Department to the amount of about £7,000, but this increase is altogether and entirely owing to the expansion of the colony, and is not in any way due to extravagance. The charge of extravagance is easily made, and it is easily proved if there is any ground for it, but I challenge hon. members to look through these Estimates, and the items of increase I have mentioned, and say whether they are not absolutely necessary for one or other of the reasons I have referred to. The first thing the Government have to do is to find out how much money must be spent for the efficient conduct of the Public Service. Having ascertained that, the next thing they have to do is to see what sources of revenue they have to meet it. I hold it is the duty of every Government to make both ends meet, and so long as a Government of a country keeps its expenditure within its revenue there is little fear of its going wrong. Once a Government adopts the opposite course, their position becomes very serious, as may be seen from the state of some of the neighbouring colonies. First of all, we had to see what is the least we can expend to insure the efficient conduct of the Public Service. At the present juncture,

as we all know, we have been suffering from circumstances which I need not enter upon, but with which we are all thoroughly acquainted; and it was especially necessary for the Government to see, under these circumstances, what was the least amount they could ask for the efficient conduct of the Public Service. Having ascertained that it was necessary to ascertain what revenue might be expected under existing circumstances—and the Government found that the revenue to be anticipated was slightly less than the necessary expenditure—it was then their duty to see in what way they could make up the difference. Not being able to make it up by reduction of expenditure, it became a question with them as to how they would do it. Well, they might do as a great many people might do, knowing that for two years the colony has been in a state of great depression, and might say—"Why not trust to the future? Let the bad years gone by be set off against the good years coming—trust, in fact, to something to turn up."

Mr. MOREHEAD: A Micawber policy.

The PREMIER: Yes; a Micawber policy; but it must be remembered that we have not got any trust funds to lay our hands upon as our predecessors had; they laid their hands upon trust funds under similar circumstances. Nor do we believe it right to lay our hands upon our capital and squander that as our predecessors did. One of these sources was not open to us, because there were no trust funds—they were gone.

Mr. MOREHEAD: Then you mean you would have taken them if they were there?

The PREMIER: They were all gone; nor would we have taken them if they were there. The other source was open to us if we thought it right to take advantage of it, but we did not. Or we might have said, "We have got a cash balance of £167,000, and if it is reduced to £100,000 by the end of the year it will not hurt us." On the other hand, it was necessary for us to provide for the extra expenditure necessary for the works mentioned in the Estimates of special appropriation, and I hold myself, unless there are reasons for the contrary, that each year's income should balance each year's expenditure. Under these circumstances it became desirable to see how we could best raise additional revenue. Various answers might be given to that, but I think that under the existing circumstances in the colony some taxation may fairly be asked for. We have put forward what the hon. gentleman calls a most pitiful fiscal policy. Well, sir, taxation on spirits, machinery, timber, and beer may well, I think, be compared for grandeur and importance with a tax upon acids, leather, boats and screws, tallow and stearine, which constituted the fiscal policy of the late Government during one year of their term of office. I do not want to challenge comparison with that policy, which was about as small a thing as ever went through a Parliament. But that is neither here nor there. These are the items that we propose to tax. Is there anything objectionable in them? What items may more fairly be taxed than items of luxury such as spirits and beer? Is there any reason why beer should not be taxed? Of course we knew the hon. gentleman would tell us that it was the working man's beverage, but I think the working man knows as much about it as the hon. gentleman can tell him. I do not know that the working man confines himself to colonial beer; and we know that English beer, which some men prefer to colonial beer, has to pay a duty of 9d. per gallon. Formerly the duty was 6d. per gallon, but the amount was increased to 9d. in the year 1870. At that time there was only one brewery in the colony, and it was no doubt a very good thing for the

brewery to have a differential duty of 9d. per gallon in its favour. But there are a great many more breweries now—something over a dozen, I believe. If they still get a differential duty of 6d. per gallon in their favour I do not think they have very much to complain of. I, for my own part, maintain that beer, just as much as wine, spirits, and tobacco, is a very proper thing from which to raise revenue.

Mr. MOREHEAD: What about tea?

The PREMIER: I am under the impression that we do raise a revenue from tea. It seems to me that no very serious complaint can be made at the people of this colony being asked to pay as high a duty on spirits as is paid in New South Wales and Victoria, and less than in the other colonies. I do not think the people will consider that any hardship. As to the advisability of discouraging the manufacture of rum, of course, in the case of people who think that spirits should not be made at all, another argument comes in. I confess, however, that I do not see why, while spirits are allowed at all, such a large quantity of material as now goes to waste should not be used in the manufacture of spirits when we can get a larger revenue by preventing these substances being wasted. We used to export a large quantity of spirits when there was a differential excise duty. As to the stores of labels to which reference has been made, I fancy the largest stores existed in Sydney, where bottling was carried on to a much larger extent than here—where it was carried on principally by one person, whose enterprise came to an untimely end. I confess I do not see that the hon. gentleman has used any strong argument against the proposal of the Government, unless it is that he wishes to discourage the manufacture of spirits in the colony altogether, which seemed to be the drift of his argument. The hon. gentleman, however, is very peculiar in that way; sometimes he poses as a protectionist and at another time he does not mind objecting to anything that has the effect of protection. I do not know that it makes any difference whether a man calls himself a protectionist or not. I think the distinction between a freetrader and a protectionist is of very little importance in Queensland and in many other parts of the world. What we have to consider is whether the duty proposed is a desirable one in itself, and it appears to me that the item of spirits is the very first thing to lay hands upon for an increase of revenue. Beer is in very much the same position—it is entirely a luxury. As to saying that the tax will come out of the pocket of the consumer, I do not think it will. Threepence a gallon is less than a farthing per glass, and the profits of the business are so large, and colonial beer has such an advantage over English beer by the differential duty, that I am quite sure the price will not be raised. If it is, probably the working man, to whom the hon. gentleman has referred, will drink English beer instead, which is at the present time sold at the same price as colonial beer. I do not think the price of English beer is going to be raised by putting a duty on colonial beer. Now, with respect to the duty on timber, that was discussed pretty fully when we were discussing the Timber Regulations the other day, and I do not think it necessary to refer to them now, as they are thoroughly understood, except to say this—that the hon. gentleman says this duty is a tax on the whole community. How is it a tax on the whole community? What we maintained in framing the Timber Regulations is this: that the timber belonging to the State is a valuable article, the property of the country, and that a fair price

ought to be received for it, just as much as for the grass of the State. But when we desire to get a fair price for it, it is not fair to handicap our own artisans—our own men who are employed in the timber industry—by allowing them to be undersold by timber brought from abroad. The result of the regulations and this duty will probably be that people will use local timber and they will pay a fair price to the State for it, but if the people who use the timber pay for it how will that tax the whole of the community? The hon. member for Balonne may laugh, but that is how the duty strikes me regarding it from my point of view. With respect to the duty on machinery, I have never had any sympathy with the exemption of machinery from the tariff. I remember how that exemption was brought about very well. I was in the House at the time; I forget how I voted, but I believe I voted against it. If I did not I should have voted against it when it came on again. I remember on that occasion hearing a member say that he saved £700 by his vote, and that impressed me very much at the time. I have never seen why imported machinery should not contribute to the revenue. To say that the proposed duty is a tax on industry is nonsense. A large proportion of the machinery used in the colony is made, and a much larger proportion could be made, in the colony. A very large proportion, indeed, is made in the colony, and very few industries will be in the slightest degree affected by the small duty proposed to be imposed. These are some of the reasons why we propose to raise additional revenue by some means other than those on our Statute-book. They seem to me to be sound reasons. It is, I contend, our duty to increase our revenue. If we have a surplus at the end of the year, I have no doubt we shall find a very good use for it. As it becomes our duty from year to year to frame Estimates various things present themselves to us which ought to be done—various improvements which ought to be made out of the revenue of the country and which ought not to be charged to loan as has been our custom in times past. I believe that we should do well if we were to raise £200,000 or £300,000 annually for necessary works in the colony. We ought not to look to loan for everything. I believe that so long as we can afford it we should increase our revenue, and I am quite satisfied that with our wealth—which is an increasing wealth—we might afford to raise a great deal more than we do. Why, many sources of revenue which are looked to in the neighbouring colonies have never been looked to here. We have no property tax and no income tax—that most flexible of taxes, where the simplest thing in the world is to put on an extra 1d. or 2d. in the £1 to make up a deficiency. We have no sliding taxation of that sort, and we ought not to be afraid of additional taxation. There is no country in the world where taxation sits so lightly upon the people as in Australia. What is proposed will, I believe, have the effect of bringing our expenditure well within the revenue, keeping us on the right side of the ledger, and will leave us a substantial sum with which to begin the next financial year. I think myself that there is nothing to be alarmed at in our financial position, and I will ask any hon. gentleman who may follow me not to content himself with generalities when criticising the proposals of the Government, by saying simply that their action is all wrong, but to point out where the extravagance comes in, and where expenditure can be reduced. When hon. gentlemen do that the Government will gladly listen to them, and will be willing to adopt any practicable suggestions for curtailing unnecessary expenditure, if retrenchment in any particular direction can be accomplished without impairing

the efficiency of the Public Service. I trust that the efficient conduct of the government of the colony will not be impaired because of the fact that continued bad seasons have not left us with such a large surplus as might otherwise have been expected.

Mr. BLACK said: It is only right, Mr. Fraser, that the Premier should make as good a case for the action of the Government since they came into office as it is possible for him to do. He has suggested that whoever should reply to him from this side of the Committee should not refer to the question of extravagance as shown in the Estimates, unless he is prepared to go more into details and to show where that extravagance exists. Well, I think it is rather beneath the position of the Premier to go into the petty details of these Estimates in the way that he has done. I do not intend to go through the Estimates and point out where a particular vote might have been reduced, or do anything of that kind, because the proper time to do that will be when the Estimates are going through committee; but I think the most important matter to be discussed now is the whole financial position of the country, and to consider what are really the causes that have operated to bring this country, which had been prosperous for a number of years previous to the advent of the present Government, suddenly into the position that we find ourselves in where extra taxation is absolutely necessary. Well, I think that that point is what the public will consider, and it is to that point that we should address ourselves. They will certainly want to know why the taxation which has hitherto been sufficient to provide an ample revenue has now been found, I think, utterly insufficient for that purpose. Because I notice that, although the Estimates are very carefully, and I may say artfully, framed—although the possible deficiency as sketched by the Treasurer only amounts to some £23,000—I think we shall find that the anticipated revenue has been put upon such a high scale that it is not at all likely to be fully realised. I think that the country will agree that the cause of the present financial difficulty into which the country has drifted is due primarily to one cause, and that cause is the almost utter failure of the land policy of the Government. I am quite prepared to admit that the land policy has not had a very long time to develop itself; but we must bear in mind the great flourish of trumpets with which that land policy was introduced by the Government last year, and on an occasion like this I think it is only right that we should refer to what was said by the hon. the Colonial Treasurer when he made his Financial Statement last year. The drought was certainly as bad last year as it is this year, but, notwithstanding that, the Treasurer made use of the following words which he considered would justify the financial policy of the Government. The Treasurer said that—

“The Government had marked out a course of assured progress and action.”

It will be for the country to decide whether that course has been in any way realised. Again the Treasurer said—

“The Estimates, I believe, will be realised, and if the drought ceases extensive increase will become apparent.”

Now, instead of the Estimates having been realised, the account for the financial year shows a deficiency of no less than £99,000. In connection with that, the Premier has stated that we actually spent £25,000 less than the revenue, but I find that there was no less than £50,000 of money that was voted in the House and included in last year's Estimates that has never been spent at all. However, the Financial Statement shows a

decrease on last year's transactions of £99,000. Last year the Treasurer said—

"The great industries of the colony were never on a sounder footing or had more encouraging prospects before them."

Well, I think that the most ardent supporter of the Government will admit that that flattering statement was considerably overdrawn then, and has not since in any way been realised. Now we come to what the Treasurer stated when he introduced his Financial Statement last, and we here see that a sudden change has come over his dream in connection with this matter. He admits that—

"The last Estimates were not realised, but if intelligently considered there is no cause for the present uneasiness."

Well, I think we have very serious cause for uneasiness, and I hope I shall be able to show before I sit down that I am not endeavouring to exaggerate the difficulties of the present financial position into which I think the colony is slowly but surely drifting. The Treasurer says—

"He hopes to be able to dispel all doubts as to the solid prosperity of the colony."

I never heard the most sanguine man, except perhaps a fortunate speculator in land, refer to the solid prosperity of the colony. It is just the reverse. There is no solid prosperity at all, and with the exception of the mining industry, every one of our producing industries is in a lower state of depression now than at any time since I have been in the country. And again; the Treasurer says he—

"Hopes to be able to dispel any doubts and misgivings regarding the solid prosperity of the country, and submit incontrovertible assurances of its continued progress and stability."

Well, Mr. Fraser, the people outside of Brisbane or outside of any of the large towns will laugh when they read that statement, but at the same time the Treasurer brings forward a proposal that is going to increase taxation by more than £93,000. He says—

"We are confronted with a very great responsibility."

In that I entirely and cordially agree with the Treasurer. And—

"If additional burdens are for a time necessary, it is satisfactory to know that the present condition of the people enables them to well sustain this increased taxation."

Well, sir, that is a matter that I believe we shall see some expression of opinion about, through the public Press of the colony, before the Estimates pass. I am inclined to think that the present condition of the people does not enable them to sustain additional taxation, and that they will be extremely dissatisfied with the policy of the Government that has rendered this additional taxation necessary. But I think the greatest irony contained in the Treasurer's speech was this sentence—

"I am confident the people will respond even should greater burdens become necessary."

Now, I see in this sentence a doubt in the hon. gentleman's mind whether even the present taxation he proposes will be sufficient to meet the requirements of the country. I should not be at all surprised to find that the revenue derived during the current year from the land will not come up to anything like the anticipations the Minister for Lands has put down in the Estimates. When the hon. member said that the prospects of the sugar-growers were reported to be better than they were last year I am very much afraid he was talking about a subject of which he knew very little indeed. I should be very glad—and so, I am sure, would be a great number of those who, like myself, are interested in that industry—to think we could believe that; for I can assure hon. members that the depression

in that industry now is just about as great as it ever has been. I hope, however, that legislation will before long take such a shape as will prevent that industry being one of the industries of the past in Queensland. The Colonial Treasurer goes on—

"The general condition of the people may be safely stated to be that of content and prosperity."

Now, I only wish the hon. member and a few of those on the other side who think as he does would take the trouble to travel a little beyond Brisbane and its vicinity. I only wish the hon. member had carried out his intention of visiting the more northern portions of the colony during the recess, and he would have come to quite a different conclusion from that he expresses here—that the people of the colony are contented and prosperous. They are nothing of the sort.

"Our industries are actively employed."

Where are the industries that are actively employed? Is it the producing industry, the squatting industry, the agricultural industry? Some of the local industries in Brisbane and Maryborough may possibly be profitably employed—the foundries, I believe, have ample work, but only in consequence of the expenditure of Government money. As long as the money from loans is being expended these industries may be said to be reasonably prosperous, but it is not from the producing power of the country that the prosperity arises.

"All classes of property have maintained their full value."

The hon. member was thinking of nothing but Brisbane corner allotments when he said that. Where are all the classes of property that have maintained their value? I am sorry to see in the report of the Registrar-General, laid on the table of the House and distributed to hon. members yesterday, that the mortgages issued during the year amounted to no less than £2,400,000; and I would ask any hon. gentleman who understands financial matters whether it is a sound state of affairs—two and a-half millions invested on mortgage, and the bulk of that property round about Brisbane? The hon. member, in proof of the prosperity of the working classes, referred to the Savings Bank returns. I have analysed those returns, and these are the facts I deduce from them: In January, 1884, the depositors numbered 28,818, and the amount of deposits was £1,163,973, equal to £40 8s. per head. Those were the savings of the working classes at that date. At the end of the year in December, 1884, the number of depositors had increased to 33,067, and the amount of deposits to £1,220,614, or only £36 18s. per head, showing a decrease in the savings of the working classes amounting to £3 10s. per head. But I find the Government added not less than £43,637 to these deposits as interest, and if we deduct that from the total we find that the 33,067 depositors had only an average balance of £35 12s. per head, or £4 16s. less at the end of the year than they had at the beginning. That shows that the working men of the colony, according to the Savings Bank returns, have lost to the extent of £137,557 during the year; and I maintain that it is a very safe test of the prosperity of the working classes—the amount of money they are able to deposit in the Savings Bank. The Premier has taken a great deal of credit to himself for not squandering our capital, meaning thereby, I suppose, that their policy is that of non-alienation of land. Well, I think if the alienation of land is going to lead to the profitable employment of it, it is a very good thing indeed. But I have had a statement handed to me, which I believe is perfectly correct, to show whether the

so-called Liberals or the Conservatives have been the most anxious to get rid of the lands of the colony. I find that the Liberal party during the years 1873 to 1878 had a revenue of £7,098,322, and out of that they derived as land revenue no less than £1,429,380; that is to say, 20 per cent. of their total revenue was derived from the sale of land. But in addition to that there was £446,000 worth of land sold under the Railway Reserves Act, to build railways, which was an additional 5 per cent. during their five years' tenure of office, showing that they alienated land to the extent of 25 per cent. of their whole revenue. The next Government that came into power, known as the McIlwraith Government, had a revenue during their five years of office of over £9,000,000. I am happy to say that owing to their policy the revenue of the country during their five years of office was very much in excess of that derived by the previous Government.

The PREMIER: Did not the population increase in the meantime?

Mr. BLACK: I wish the hon. gentleman would not interrupt. The late Government, during their five years of office, out of a total revenue of £9,201,411, had a land revenue amounting to £1,902,358, or 21 per cent. of their total revenue; showing 21 per cent. under the one Government as against 25 per cent. under the auspices of the Government that the hon. gentleman represents as being disinclined to what he calls squander the lands of the colony. However anxious the Minister for Lands may have been to carry out his theory of non-alienation, I will point out this very significant fact: I notice in the Estimates for the current year that whereas the revenue they received last year from auction sales and selection after auction amounted to £54,000, the Minister for Lands anticipates that this year the revenue from that source will amount to £100,000. How is this? This is rather different from the policy which the Minister for Lands enunciated when he introduced his Land Bill. There was to be no more alienation of land. This expected alienation of land is to be in towns, I presume.

The PREMIER: Of course it must be.

Mr. BLACK: And those who live out in the far distant parts of the colony are not to be allowed to have any land as freehold. I see the hon. gentleman laughs. He wishes the public to believe that they are able now to get freeholds the same as before, and on very nearly the same terms. I can assure him that the public are getting to understand the principles of his land theories, probably a great deal better than he does himself. They can get freeholds, but hampered with such conditions as to make it almost impossible for any man to acquire them. That is the policy which is drifting the colony towards ruin. It has already brought forward the necessity for additional taxation, and I am confident that the taxation which the Government intend imposing this year will be found utterly insufficient to provide funds for carrying on, as the Estimates are framed. It having been ascertained that additional taxation is rendered imperative by the land policy of the Government, I am not prepared to discuss the different items on which it is proposed to levy additional duties, beyond pointing out one or two chief facts. I find that in this scheme of additional taxation it is the necessities of the people that are going to be taxed rather than the luxuries. Had it been proposed to raise additional taxation by increasing the *ad valorem* duties, I think that would have met with considerably more favour than the present system. It would, at all events, have been a taxation that would have reached all classes

alike. Had it even been proposed to impose a property tax or a land tax—a land tax especially, which would, I believe, have met the views of the Minister for Lands and undoubtedly have been the means of breaking up some of those large estates that are so obnoxious to him—it would have been a tax that would have fallen upon people who were well able to pay it. By the proposed system the property holder almost entirely escapes the additional taxation. The property holder consumes very little colonial beer, and he requires very little machinery. The property holder in town—the man who is making the most by securing what the Minister for Lands calls the unearned increment of his land—is let go scot-free. Beyond paying the municipal taxes he virtually pays nothing towards the State for the enormous increase in value which is week by week accruing to his town property. Those who are selected for taxation are as a class least able to bear it—the agriculturist and the miner. Perhaps I ought to except the miner, because I consider the mining industry is the only industry which is prosperous in the colony; it is the one industry which is saving the colony from sinking into a very much worse financial position than it is in at present. The agriculturist is not in a position to bear additional taxation, which would be imposed on him by this tax on machinery. The Premier stated that nearly all the machinery used in the colony could be made in the colony. I beg to differ from the hon. gentleman in that respect. A large quantity of the machinery used in the manufacture of sugar, at all events, cannot be made in the colony. I cannot give a better illustration of this than by stating to the Committee a fact concerning one of the greatest machinery plants of the North—on the Johnstone River—belonging partly to a firm who had a large machinery establishment in Brisbane. That firm had been in the habit of making sugar-plants in previous years; but knowing, I assume, the inability of colonial firms to make the description of machinery necessary for modern requirements, they sent home to England for their machinery, although they had at the time a large foundry here in Brisbane. I will point out, also, that the margin between the cost of production and the amount realised on sugar is now so very small that an additional 5 per cent. on the cost of machinery will be a very serious item indeed. A plant which at present costs £20,000 will, under the additional taxation, cost £1,000 more, and the industry cannot afford it. This proposal to tax machinery, I consider, is premature at the present time. As far as I can see, the existing foundries in the colony have ample work. After some little practice they have been able to turn out dredges and machinery of that heavy description equal, I believe, to English machinery, but they have not been able yet to devote themselves to the finer descriptions of machinery that are used for agricultural purposes. I am informed that the same remark applies to a great deal of the machinery used for mining purposes, which must be imported from home. The impost will press severely upon those requiring the machinery, and it will not have the effect of benefiting the colonial industry. However, this tax on the agricultural community, I suppose, is only what might have been expected from a Government holding the opinion—as expressed by you, Mr. Fraser, the other day—that the agricultural industry of the colony had been coddled too much. If that view is indorsed by the Government, this is a description of taxation which the House and the country had every reason to expect. There is one point, Mr. Fraser, in these Estimates that has certainly attracted my attention; that is the estimate referring to the Post and Telegraph Department. I know that is a

department which is not expected to pay its own expenses, but I must say that there is an enormous difference—I do not know if other hon. members have noticed it—between the revenue expected to be derived from that department and the expenditure. The expenditure is put down at £319,869, while the revenue is only estimated at £180,000, showing a deficiency in the working of that department of £139,869. I am not prepared to discuss this matter now, sir. It is a matter that we should really entertain when we get into the estimates of this department. But it does seem to me that we are drifting into a very bad state of affairs when that one department shows such an enormous loss as that in its operations during one year. I find that the Minister for Railways expects to receive £111,000 for this year more than he received last. Last year he received £82,000 more than the previous year; and considering that there is no apparent sign of the depression in the pastoral industry, caused by the drought, ceasing, I am very much afraid that this increased estimate for this year over last is not at all likely to be realised. However, I suppose it is only right that we should hope for the best; but there is one thing, Mr. Fraser, that this Committee should bear in mind, and that is, that the present condition into which the colony is gradually drifting is, in my opinion, undoubtedly brought about by the land policy of the Government. I think the sooner the country comes to understand that the better. There is no selection to speak of going on at the present time. Why, sir, I was astonished to see in this morning's paper a telegram from Toowoomba, where selection is generally going on at a reasonable rate, stating that there was not a single selection taken up at the last land court. Selection is almost entirely stopped throughout the northern districts. Whatever may be said about the effects of the drought in the southern portion of the colony, I am happy to say that the Northern coast lands are not suffering from drought, and that, under more favourable auspices, agriculture might go on there in the way it did a few years ago, which would serve in a great measure to retrieve the want of revenue which the colony is suffering from in the more southern portion. I would also point out to hon. members that Northern works are not progressing at the rate at which they ought to progress. I read in the *Courier* this morning a statement of the railway works in course of progress in the southern portion of the colony, and I am sorry to say that there is not a single work of any magnitude in progress in the North. We are promised, day after day and week after week, by the Minister for Works, that plans and sections and surveys of Northern railways will be laid upon the table; but week after week passes and these promises remain unfulfilled. I would point out to that hon. gentleman that these are facts and matters which are being taken notice of; and I shall certainly expect, before we get into estimates connected with his department, that more activity will be shown in the progress of works in the North, in order to relieve the people in that part of the colony from the severe depression which they are suffering from at the present time.

Mr. ALAND said: Mr. Fraser,—I do not think that a debate upon such an important subject as that which is now before the Committee should be dismissed with such scant courtesy as it appears likely that this will be.

Mr. MOREHEAD: No; it will not.

Mr. ALAND: I do not rise for the purpose of criticising the Treasurer's speech or to criticise the remarks made upon it by the leader of the

Opposition. I confess at once that I am not good at figures, and I feel that I could not enlighten hon. members very much on the subject; but I am afraid, sir, that unless someone on this side of the Committee does get up the debate will close. I am quite sure that there are one or two hon. members on the other side who will get up if they see that someone on this side, even if it is myself, rises to speak. I was rather amused with the change of front of the hon. member for Mackay. It is not very long since we were told that we Southerners were in a state of pauperdom, and that really, if it were not for the North, there would be no prosperity in the colony. But to-night we have been told that, down here in the South, we are in a tolerably prosperous state, but that up north things are in a very poor condition indeed. I do not think that is true. I travelled round the North some few months since, and I found the people there all seemed to be well-to-do. I did not see loafers knocking about; everybody seemed to have work to do, and working. I must say that I do not like the taxation proposals of the Government. Of course I suppose I shall have to support them; but I must say I do not like that tax upon the people. That is a pill which I do not swallow very comfortably.

Mr. MOREHEAD: Take some water with it.

Mr. ALAND: So far as the tax upon beer is concerned, I thoroughly go with it. I have considered, and considered for a number of years, that the brewers of this colony are a very favoured class of individuals. They are protected to an amount equal to 9d. a gallon, and are allowed, or were allowed, and I presume they are allowed still, exceptional privileges on the railways; beer being carried as an exceptional class. The brewers of Toowoomba had all the different articles used in the manufacture of beer carried at exceptional rates, and had all their "empties" returned on the line for nothing; and, what is more, I believe the gentleman who travelled on behalf of that Toowoomba brewery had a free pass on the line. So I consider, as far as the brewers are concerned, that they can afford to pay this excise duty on beer. I shall support most heartily that proposal of the Government, and it is all nonsense to talk about the "poor man's beverage." It is nonsense to talk about wanting to oppress the poor working man, and wanting to rob the poor man of his beer. This tax will not make one iota of difference to him. The publican will still be able to sell that beer at 3d. per glass. I suppose that is the price. I have seen something about "longs-leavers" for 3d. or 6d.; but I have greater respect for my inside than to drink colonial beer. When I drink beer I take English beer; but the small tax which the Government propose to put upon colonial beer will really make no difference to the person buying it retail. The publicans may, perchance, not make quite so much out of it, and certainly the brewers cannot make so much out of it. They will, I suppose, put more water into it, and make up for it in that way. I shall support the taxation proposals of the Government.

Mr. MOREHEAD said: Mr. Fraser,—I was almost alarmed—in fact, I may say I was quite alarmed—at the long pause which ensued after the speech of the hon. member for Mackay. I thought that that hon. gentleman had at last demolished the whole of the members upon the Government side of the Committee. I am inclined to think that the hon. gentleman who came to the front afterwards is a very indifferent supporter of the Government. When I say an

indifferent supporter I do not mean to reflect upon the hon. gentleman in any way the support that he gave the Government when a certain question was before the House the other night, as to the repurchase of certain estates on the Darling Downs, at the cost of the State, which were to be enjoyed by the people of Toowoomba and the surrounding districts, though I really did think he very indifferently supported the Government. Therefore it was gratifying, I think, to every member of the Committee, and I am sure to yourself, Mr. Fraser, who made such an eloquent speech upon that occasion, to find that he had returned to his allegiance. With regard to the proposals made by the Treasurer, I think it would have come well from the Government if they had set some member—possibly the Minister for Lands, or possibly the Minister for Works, at any rate some conspicuous member of their party—to answer the arguments that were brought forward by the hon. member for Mackay and the leader of the Opposition. The arguments brought forward by those hon. gentlemen as regards the fiscal propositions of the Government have not yet, to my mind—and, I am sure, not to the minds of most members of this Committee—been answered. We were told last year, when the Land Bill was passed, that all trouble as regards revenue was passed also—that there would be such a revenue from our lands as would meet all the requirements of the State. How did this present Government, I would ask, Mr. Fraser, get into power? How did they raise this ten-million loan? Why, by trumpeting forth, not only in the other colonies, but in the old country, that there would be an increased revenue from the land sufficient to meet the interest upon the money lent by the confiding British public. They have had to admit that their land policy has been a failure—an unmitigated failure—and the Minister for Lands has gone further. What did he say the other evening under the influence of Killarney champagne, or whatever it might have been, at the opening of the Killarney Railway? He absolutely repeated that worn-out scandal and libel and lie that the success of the loan had been materially prejudiced by some persons unknown. He raised up that old bogey of the Transcontinental Railway—why did he not raise the steel rails question while he was at it? The hon. gentleman should be ashamed of himself to raise such a bogey upon such an occasion. Certainly I must admit that he was a little annoyed that the railway was not of his construction, and he had to make the best of a bad case. But the Government having admittedly failed in their attempt to extract from the lands the revenue that they led people here and at home to believe would be extracted, and having a deficit of some £27,000, what have they done? They attributed it to several causes, one of them being admittedly the shortcomings of their land revenue; the second being the enormous expense that they had to fall into with regard to the expenditure that they held to be necessary on account of the war scare. I do not say "war scare" in an offensive way, although I think the Government were very much scared in that matter. I think they deserve credit for having done certain things with regard to protecting the interests of the colony, but they went further than men of ordinary judgment; and I take exception, and will take exception later on, to some purchases made by the Government. For instance, I believe they paid an excessive sum for a vessel called the "Otter"—one-third more than it was worth. They lost their heads on that occasion, at any rate. But would any ordinary Government, when they had only to meet a deficiency of £27,000—would they adopt the financial scheme propounded by

the Treasurer? I maintain that there can be no parallel to such a proposal found in the history of the Australian colonies. And what have the Government done? They have not put on some tax that would affect fairly every class of the community. They have not put on a tax that would touch property or the land, as pointed out by the hon. member for Mackay, and which, one would have thought, would have suited the Minister for Lands. But they have taken the most obnoxious way of raising the revenue by touching the people through the Customs. I do not want to pose as the friend of the poor man, though I probably have the interests of the poor man as much at heart as most hon. members; but I maintain that if this excessive duty on beer is carried, and the increased duty on spirits, it will touch, and touch only, the poor men of the colony. Admitting, for the sake of argument, that it is wrong for a man to drink spirits or beer—let us say that no man shall drink either spirits or beer—but admitting that it is a necessary evil, I do not see why this tax should be one that will fall most particularly on the poorer classes. It will not affect the man of moderate means, and it certainly will not affect the wealthy, but will distinctly affect the poorer classes of the community. I do not see why they should want to provide for this deficit if the Government had the least faith in their anticipated land revenue—but I believe they have no faith in it, and have no hope of getting the revenue they anticipated from the land. We see, day after day, that the revenue from railways is dwindling. Day after day those extensions—I will call them political extensions—promulgated by a certain section of the community and indorsed by the Government, are made on a basis not likely to be repayable; and on the top of that we see our land revenue is falling. We have been told by the Minister for Works, time after time, that this colony is dependent upon our borrowing powers. That is to say—his idea of the colony is of course the idea of the Ministry—that the Ministry cannot live unless we borrow £2,500,000 each year. The Ministry limit their period of existence, at £2,500,000 a year, to four years. When they have borrowed their £10,000,000 they will say they have done their duty to the colony; they have borrowed ten millions of money and the money has been spent, and now they will let somebody come in and try to make the colony right again, if possible. That is the answer given by the Minister for Works, over and over again, to deputations when any feasible scheme is brought before him with regard to railway extension. His answer is, "The allocation has been made; the money has been divided." They have his sympathy, but they cannot have any money, because the Government have gone in for a ten-million loan, and decided how it shall be expended. That has been the policy and is the policy of the present Government apparently. We are now asked to pass a small scheme of taxation to meet a temporary exigency which the Government hope and believe and say is only temporary, a system of taxation which cannot commend itself to any reasonable man in this Committee. But they have gone a little further; they have not finished with the excise duty on beer and the increased taxation on spirits, but have put forth what may not improperly be called a Maryborough policy, in the shape of an import duty on timber and machinery. That is what I term the Maryborough portion of this scheme of taxation. Is Maryborough the hub of Queensland? Is the whole colony to be ruled by Maryborough?

Mr. ALAND: No.

Mr. MOREHEAD: The hon. member cries "No." I am certain he thinks Drayton and

Toowoomba are the centre of Queensland. But I would ask the Colonial Treasurer to consider what this import duty on timber means. It means a very much more serious tax and charge on the working men of the colony than even the excise duty on beer or the increased duty on spirits. The Colonial Treasurer knows as well as I do, and perhaps better, that a tax on timber is a tax upon every working man who wishes to build a house for himself in this city, and that it means taxation throughout the colony wherever men want to build houses, which in many cases can be built cheaper with imported timber than with timber grown in Queensland. At any rate, certain portions can be built cheaper with imported than with Queensland-grown timber. I, as a freetrader, distinctly object to any such taxation on what is an absolute necessity to every man who wishes to make a home for himself in the colony. With regard to the tax on machinery, I object to the proposition of the Treasurer on somewhat similar grounds. I object to a tax on anything which is brought here to make living cheaper for the many, in order to benefit a few who are manufacturers of such articles in the colony. That is the very worst form of protection, and so long as I have a seat in Parliament I will protest against any such taxation upon the necessities of life or upon necessities which tend to prolong life and keep body and soul together; and further I maintain that such taxation does not in any way increase the employment of labour, but decreases it by making the cost of the erection of dwellings or machinery dearer. Instead of that, legislation should tend to make the erection of buildings and the cost of production cheaper; but these two taxes on timber and machinery strike at the life-blood of the colony, damaging the colony and doing immense harm to the working man. I do not pose here, nor would I wish to pose here, as the champion of the working man *per se*: I look upon him as a unit in the State. He is one of the component parts of a great State, and any blow struck at him is an injury to the State politic; and on those grounds I distinctly protest against any such imposition as that proposed by the Colonial Treasurer in this wretched, miserable attempt at raising increased taxation, when really there is no absolute necessity for such taxation being raised. If these resolutions are allowed to pass—and they shall certainly not be allowed to pass without a strong protest on my part—they will be an indelible blot upon the legislation of this colony. Hon. members may laugh, but they perhaps have not thought upon the matter as fully and carefully as I have. I consider the two former duties I have spoken of as unimportant compared to the two latter—the imposts upon timber and machinery. It should be enough for the hon. member at the head of the Government to have almost destroyed one of the greatest and most flourishing industries in the colony without as it were clinching the nails in its coffin—I refer to the sugar industry—by these proposed duties upon timber and machinery. If they become law they will press hard upon the money-saving and home-desiring portion of our colonists, and I say that if these duties are not thrown out by this Committee it will not take many years, or many months perhaps, before we find out that an enormous injury will have been done to the colony.

Mr. FOOTE said: Mr. Fraser,—I do not wish these resolutions to go to the House without saying a few words about them. It is not my intention to deal with the whole of the fiscal policy of the Government. I am certainly not surprised that the Government are making preparations for a deficiency in the revenue to the extent of a

few thousand pounds, nor shall I be surprised if they have to make provision next year for a similar, or even a greater, deficiency. It may be that the trade of the colony may not flourish—it is evident it cannot flourish if the present state of the weather continues, and it appears likely to continue for some time. It will doubtless bring about a depression in trade and a consequent loss of revenue to the Government. Again, there is the inauguration of the Land Act of 1884. I am quite sure no hon. member of the House who supported that Bill expected that we should be receiving a revenue from it to-day. We cannot look for a revenue from it in its first nor yet in its second year; but if it does not show signs of producing a revenue in June, 1887, I shall be prepared to go with the Opposition and cry "failure." The Opposition are trying to establish an impression that the Land Act is a failure; but I would ask those gentlemen to wait. They are beginning too early. They may by-and-by have to eat their words and say, "We said it would be a failure, but we are agreeably surprised to find that it is yielding a revenue to the colony such as we never anticipated." Let them wait a bit and see what the results of the Land Bill will be. I cannot see that it is a failure yet. I will not say that I went heart and soul with everything in the Land Bill. I think we should have begun with the leasing clauses and should have left the conditional and homestead selections intact. However, we have retraced our steps to a certain extent, and the homestead clauses are in the same condition as they were prior to that enactment, or nearly so.

HONOURABLE MEMBERS of the Opposition: No no!

Mr. FOOTE: In reference to the resolutions before the Committee, I think it necessary that the colony should have revenue. It must have revenue if we are to carry on public works, and the best way to raise that revenue is to do it in such a way that the person upon whom the tax will fall will feel it in the least possible degree. To my mind the tax upon spirits is a very desirable one, and I should be disposed to hope that if the Government did not put a tax of 2s. a gallon upon imported rum they would be prepared to take 2s. a gallon off colonial rum, otherwise the colonial industry would be destroyed. I am not a protectionist pure and simple, but I say that if the Government must have revenue let them look about and protect and foster those industries that require fostering in our own colony. I therefore quite agree that the Government should put an extra 2s. per gallon upon imported spirits, and that Queensland spirits should remain as they are. I also agree with the duty upon beer. I consider it is a very small tax, and I think it is a shame to the country that these brewers should be allowed to carry on their business for so many years, and pay so little to the revenue of the colony for doing so. They only pay 6d. a bushel upon malt, the same as we have to pay upon barley, oats, and other grain. There is no doubt whatever that these brewers contribute their share to the gaols, lunatic asylums, and other institutions of that kind in the colony, which have to be supported by the Government. I think they should be called upon to contribute in another form, and in a far more tangible manner, to co-operate so far as revenue is concerned. As to the timber duty I cannot say that I go so heartily with that, after the speech made by the junior member for Ipswich, who, I must say, let the cat out of the bag, and who informed us that there was a ring amongst the sawmill men, who raised the timber up to a certain price and would not sell below it. They thus invited foreign competition

but when it came they go to the Government for help and ask them to put a tax upon foreign timber. That I do not like. The Government, I think, should receive something for the timber upon the Crown lands, and the imported article should be taxed in the same ratio. I am sorry that the Government, when revising the tariff, instead of doing it partially, did not go through the whole of it. The Government should interfere with its tariffs as little as possible, but when they do interfere with them they should do it properly and thoroughly, and their intention should not only be directed to the purposes of raising revenue, but to altering and modifying the tariffs when such alteration and modification is needed. I would direct the attention of the House to the duty on imported wines, which is fixed at 6s. per gallon. That, to my mind, is a monstrous impost. Local wine is thus protected to the extent of 1s. per bottle, which is enough to pay for any ordinary wine in the colony—indeed, I believe it is outside its value. If I had the power to do it I should test the feeling of the Committee on the matter by moving that the duty on imported wine be 3s. instead of 6s. per gallon. As I have intimated on a previous occasion, when we come to consider the Licensing Bill I shall certainly propose that the wine-seller's license shall not be restricted to Queensland wines, but shall include imported wines. I do not discuss this matter from a teetotal platform, because I am not a teetotaler or a blue-ribbon man. I believe that wine is a very good thing, and that wine and water make a good drink for people in a hot climate such as we have in this colony. I look upon the present duty on imported wine as simply prohibitory, and am therefore of opinion that some amendment should be made in respect to that duty. Again, sir, there is the duty on wheat. I believe that this duty does not yield a very great revenue to the Treasury. The hon. member for Darling Downs quoted some statistics the other night, but he very carefully left out wheat from his quotations. He said there was no wheat imported, but I am quite satisfied that there has been a good deal of wheat imported since 1879, and that a great deal has been carried up the line at produce rates—which ought never to have been done, because the wheat was not grown in the colony. If a miller living on the Downs imports wheat from South Australia or any other place, and then gets it carried on the railway to its destination at produce rates, the duty is practically remitted to him by the Government. This has the effect of giving a monopoly of the trade to millers on the Downs. I was down south some time ago, and met a miller at Echuca, who was desirous of starting a mill in Brisbane. He wrote to the Colonial Treasurer with the view of getting the duty on wheat removed, but he did not succeed. He was quite prepared to establish a mill in Brisbane if that duty had been abolished, and there would have been plenty of other mills started here if we had not continued the prohibitory impost on wheat. It is a very heavy tax indeed. I have made a calculation, and find that if a man expends £1,000 on wheat, and returns that four times a year, he will actually pay 40 per cent. duty. The imposition of a tax of 6d. a bushel simply prevents the milling industry being established in the colony, because it would have to be carried on for the benefit of the Government with no profit to the mill-owners. We import flour, pollard, and bran free.

HONOURABLE MEMBERS: No, no!

MR. FOOTE: Yes! We import flour free. I am not sure whether there is a duty on bran, for I have never imported it, but we import the flour free, and we practically say to the people, "You shall not grind wheat within your own

colony, but you shall do it outside." But the tax on wheat is not the only thing that requires amending. There are several other matters in the tariff that require alteration, but I will only just allude to one of them now, and that is leather. There is 3d. per pound duty on imported leather, while boots and shoes made in England or elsewhere are admitted into the colony at 5 per cent. *ad valorem*. The tariff does not bear equally upon the different trades in the community. There are many persons carrying on business who are comparatively exempt from duty, whilst others are very heavily taxed. Hon. gentlemen on the other side talked about the consumer and the poor man, but had they got up and advocated the reduction of many duties—such as those on jams, teas, and things of that sort, and starch—on which there is duty of 32 per cent.—also on drapery, boots and shoes, and stationery—they would have advocated an equitable arrangement. At the present state of affairs there is a tax of 2d. per lb. on jams and other articles of that description, and the imposition of these duties leads to an evasion of the law. For instance, jams are introduced in the form of pulp and tinned afterwards here, and I believe the procedure receives some countenance in certain quarters. However, the amount to be raised by these new duties is only small. I regret that the Government have not seen their way to modify some of the existing duties which appear to me to require considerable alteration. So far as their proposals are concerned, I have no objection to them as a whole, but I do hope the Government in dealing with them will give us an opportunity of saying what we have to say about them and to deal with them accordingly.

MR. PALMER said: Mr. Fraser.—Like the hon. member for Toowoomba, I do not feel inclined to criticise very much the Financial Statement before the Committee, for the reason that perhaps we are not all competent to deal with matters of surplus revenue and consolidated revenue, and other items of that nature; but there are some matters of expenditure before the Committee that we can all take an interest in. Those hon. gentlemen who read the Colonial Treasurer's speech—there were not many who listened to it all through—will have observed some points of interest in it which may be discussed by hon. members. The hon. gentleman's estimate for the year showed an expected deficiency of £23,000. Considering that that is a small matter, it is surprising why the Government should propose to increase the taxation to the extent of £90,000. The conclusion that I come to is that the Estimates for 1885-6 are so wild and over-estimated that the Treasurer really considers that there will be a much greater deficiency. For instance, take the land revenue. Under the three items of "Auction," "Selection," and "Pre-emption," we notice that in 1883-4 £89,632 was received. In the following year there was a falling-off of a good many thousands—a return of £69,149. With that falling-off of revenue the Colonial Treasurer estimates that he will receive this year £100,000 without giving us any reason for such an extraordinary jump. I do not believe that that amount of revenue will be realised, and, looking at the decisions of the Land Board, which are not out of the way, I think that the revenue is still more problematical. For instance, although the amount received up to date is but £696—of course we must remember that the Act has only been in force for a few months—the Colonial Treasurer says he expects to receive £30,000; and his own words are:—

"Rents under the Act of 1881 are estimated to reach £30,000; but it must at once be admitted that this estimate is purely conjectural."

He goes on—

"It may be regarded as an unknown quantity."

And, really, taking all matters into consideration, I quite agree with him. We come now to the railway receipts. On the Central Railway, in 1883-4, there was received £153,000; in the following year exactly the same amount, showing that things were in a state of stagnation; but what reasons does the Treasurer give for believing that that line will produce £199,000 this year?

"The present condition of the country under pastoral occupation gives rise to much anxiety, for although grass is represented to be fairly abundant over a considerable area of the interior, water is scarce over the whole colony."

"The country from Rockhampton westward to the boundary of the northern territory of South Australia, a large portion of the North Kennedy district and the border district from Goondiwindi westward, still suffers severely from the drought. Should the usual rains fall at the end of this month or in September the mortality in stock will not, it is reliably stated, be largely increased. On the other hand, a few more months of drought will be fraught with serious consequences."

In the face of that he estimates that the revenue will increase to £195,000 from £153,000. On the Northern Railway there was to be an increase to £100,000 from £76,000. These are items which lead me to the belief that the estimates are over-estimated, and that they are wild. The real subject before the Committee, however, is the taxation resolutions, and I believe that is a matter that the country will be heard upon. I am quite certain that a warning note will be struck, and that the Government will have to recede from the position they have taken up. I have received telegrams from various parts of the country relative to the taxation on machinery, and I think my own district may be taken as a criterion from which to judge as to how this will affect mining operations. I know that on the machinery that has been landed in Normanton for two fields the expenses increased the original cost by 100 per cent. For instance, machinery worth £600 before erection cost another £600. If to that be added £30 extra *ad valorem* duty it will, of course, increase the heavy expense that attends the working of those fields. In fact, the Treasurer himself admits the argument as against imposing this taxation; and I will take leave to quote again from his speech against the proposition. He says:—

"The Etheridge Gold Field contributed about 12,000 oz. up to the end of June, and of this field it may be safely predicted that were the means of communication more favourable it would prove one of the richest and most permanent reefing fields in Australia; but unfortunately it has long been retarded by the high rates of carriage, cartage, crushing, and living, which are inseparable from a mining district so remote from coastal communication."

And he proposes to increase the burden of this producing industry by clapping on a tax on machinery which has hitherto been exempt. That is fostering one of the greatest producing industries in the country with a vengeance! Referring to the proposed timber tax, I am quite certain that the same remarks will hold good. If we only look around Brisbane, we shall see a hundred arguments against the imposition of a tax upon a commodity so much used as timber. It seems to me as if this proposal was an answer to a petition which was received last session from Maryborough, praying that a tax should be imposed upon imported timber. We see all around us—in Brisbane and the other towns of the colony—buildings going up everywhere. Now, who are putting them up but the working men of the colony? They are certainly the men who will suffer most from the imposition of a tax on timber. I therefore deprecate the imposition of this tax of 1s. 6d. upon dressed timber imported into the colony. It has been a great boon to all

working men that they have had the opportunity of obtaining timber for building purposes at such reasonable rates when they had to contend against the monopoly created by colonial sawmill proprietors. To judge from the amount to be received from this new tax—£3,000—it certainly appears to me it is not worth while collecting the tax for all that it will return to the consolidated revenue. With regard to the duty on spirits and beer, I have nothing whatever to say; but I am certain that, if the duty upon spirits is fixed at 12s., people will drink quite as much as they did when the duty was only 10s. That is a matter that I am very slightly concerned in. With regard to the increased taxation on beer, the Colonial Treasurer estimates there will be received a sum of £40,000; but at the same time he states the working men will not feel it. Now £40,000 collected from the men who are going to drink colonial beer must be felt by them, and it is absurd to say they will not feel the burden that has been imposed. There is one other remarkable phase or feature in the Colonial Treasurer's speech, and that is where he admits the decrease in cattle, in sheep, and in the land revenue. And yet he points to the flourishing condition of Brisbane as an instance that the whole colony is flourishing. There is not the slightest doubt that if we were to judge of the condition of the whole colony by the aspect of things in Brisbane we should say the colony was flourishing. Of course the colony is under a cloud at present, but I believe our resources are so abundant and so elastic that it will not really matter what Government is in power—the colony is bound to go ahead, provided we have favourable seasons. I think we may congratulate the hon. the Treasurer, at all events on the tone of hopefulness which his whole speech breathes. He has been likened to Mr. Micawber, but I think the Colonial Treasurer, who is apt at classical quotations, will represent another Pandora's box, in which, when everything else had gone, there was still left hope. The Treasurer gives us hope to carry on till next year, and I only hope Hope will attend him throughout.

The MINISTER FOR LANDS (Hon. C. B. Dutton) said: Mr. Fraser,—I have listened to the speeches delivered by hon. gentlemen on the other side to see if any of them would take up any other line of argument than that used by the leader of the Opposition, and I was disappointed. I did not at once rise to answer the hon. member for Mackay's charges against the Land Act, because they were simply in some respects an echo of the speech of the hon. leader of the Opposition, which had been fully answered by the Premier. The hon. member for Balonne followed in the same line. If I had not been so used to the tactics of hon. members in this House I should be rather surprised at the statement, so constantly reiterated, that the Land Act is a failure. The hon. member for Mackay has repeated the statement, but its absurdity must be apparent even to him. He knows perfectly well that the Act has not come into operation at all yet, except in those small isolated tracts of land that were absolutely valueless under the old Act and have been lying waste for years. Even yet there are no lands that can be dealt with under the Act. They are coming in gradually, but up to the end of this month the lessees are not obliged to surrender their runs. Even the few who have surrendered up to the present time have not been able to get their runs divided, and the surveyors are on them preparing them to be opened for selection. I think the hon. gentleman must be aware that statements of that kind are hardly creditable to anyone who wants to make a fair and honest statement of any fact. The hon. gentleman then went on to read some figures, showing

that the Government that preceded the late Government some six or seven years ago actually exceeded by some 5 per cent. the sales of land made by their successors. Well, even if it were so, the present Government, many members of which were probably members of the Government to which he alludes, have over and over again in this House confessed the error of their ways and have changed their opinion to a better and more wholesome state. I think it is very creditable to them to have done so. The hon. gentleman makes another misstatement. He says the possibility of getting a freehold is absolutely cut off from anyone. He knows that is not true—he knows freeholds are still to be obtained within certain restricted areas. Then he qualifies the statement afterwards by saying that a man has to perform too many conditions; for instance, he has to live on the land—that is too great a hardship for any man who wants to get a bit of freehold property. I understand the hon. gentleman's opinions when he makes such a statement as that. He wants to get hold of a freehold without any conditions—to keep it idle until its value increases to others, and then to sell it to them. Well, the object of the Bill is to defeat that. The hon. member for Balonne, in his remarks on the Land Act, not only repeats the words of the hon. member for Mackay—that the Land Act has failed—but he says there is no possibility of any revenue arising from it for all time, or that there could be but a trifling increase of revenue from it under any circumstances. The hon. gentleman does not surely think that because under the present condition of things there is great difficulty in taking up country, that is going to be the case always. In New South Wales they have an Act that is not as liberal as ours in many respects; they have better seasons now, but the land there is being taken up at such a rate that the lessees of the runs are rather astonished at the position they are in—their runs are gone as soon as they come into the market. The same would hold here if the seasons were fairly good, so as to enable men to go out and work their selections. The hon. member for Mackay also referred to a statement he said had been made over and over again by members of this Government, that the revenue from rents would be enormous—would amount to a million or more. I do not think any such statement has been made by any member of this Government; I certainly have never heard it. I never even attempted to estimate the rents. I am quite satisfied of this—that the lands should be secured against the possibility of being monopolised by those who will make a bad use of them. That is the first consideration; the rent is quite a secondary affair. That the rents will be very large a few years hence I firmly believe. Even those lands taken up in the agricultural areas, where the limit is 1,280 acres, will bring a tremendous revenue to the country by their purchasing price, and even if the holders do not choose to buy them the increasing rents will bring in a very large revenue. Of course it will be some years before the returns are very large, but at all events we have secured settlement in the first place, and in the second place we secure a fair value for these lands if they become freeholds, or a fair rental if they remain leaseholds. That the Act is perfect in all respects I do not think; but, at all events, it is a step in the right direction, and, that step having been secured, those who are brought into existence, as it were, under the Act, will, I feel sure, insist at length on its principles being extended and made to apply to all the land of the colony. That, I believe, will be the ultimate outcome of it still. What may be possible in the future is not possible now. No one knew better than the hon. gentlemen on

that side of the House while the Bill was passing through that if they could get a Bill embodying such principles in their entirety, applying to all the lands in the colony, they probably would have been able to block it, and thereby we would have defeated our own object. But that object will be attained yet, by calling into existence a number of men occupied as agriculturists and graziers, who will be able to force these principles on the country.

Mr. NORTON said: Mr. Fraser,—I think it is quite probable that if the Bill brought in by the hon. member had extended the principle of non-alienation to all the lands of the colony—town and suburban lands included—it would have been blocked. I believe such a Bill would never have passed, but still those who believe in the principle might have voted for the exclusion of town lands and left the Bill as it now is. But the Government did not want to bring in a Bill to provide against the alienation of town and suburban lands. Why, sir, the Government themselves are too much mixed up in the sale of these lands to bring in a Bill of that sort. I do not wish to go into personal matters, but we all know that hon. members on both sides are largely interested in these land syndicates. It is a remarkable fact that even my hon. friend the Minister for Lands—and I suppose I may speak of him as such—should just at the present time have discovered the inconvenience of residing on property that is not his own and prefers living on his own land to being a leaseholder. If he prefers that sort of thing, why, in the name of fortune, should not men who live outside of towns prefer to do the same? The Minister for Lands knows that it is much more convenient—much more satisfactory—to settle down on a place that belongs to himself; and almost every man in the colony feels the same. Whether living in town, suburb, or the country, every man prefers to have his own piece of land which he can call his home and leave to his children when he dies. But it is not necessary to go into a discussion on that point, and I intend to say very little about the Land Act. I am not going to say that it has proved a failure—although I believe it will prove a failure—or that a large revenue will not be derived from it, because I believe a very large revenue indeed will be derived from it—much larger than has been derived from any preceding Land Act; but that revenue will not come in at once, and when it does come in the amounts to be paid for compensation as leaseholds fall in will take more than the revenue derived under the Act to make up. It has been stated by men who have carefully gone into the matter that the compensation money that will have to be paid under the Act in a few years will be so large that the revenue derived from the land will be more than swallowed up in it. So far as the Act has gone, I do not think anyone is justified in saying that it is a failure. I know that that statement has been made, but it ought to be accepted in the manner in which it is made. The Act has only been in operation, as we all know, for a very short time, and has not yet got fairly to work, and those who speak of it as a failure speak of it only so far as it has gone at present. It is quite true that the Act came into operation two months later than was originally intended, but those two months have not made so much difference that it could not have been foreseen that the revenue expected from it could not be realised; and although the Premier has tried to account for the failure of revenue from it by representing that it came into force at a late date than was originally intended, and that the original proposition of selection before survey was done away with, it is somewhat remarkable

that it never appeared to the Colonial Treasurer in that light. The Colonial Treasurer anticipated that he would receive £10,000 from selections. As a matter of fact he has not received £1,000, or anything like it. The hon. gentleman attributes the falling-off to the very great drought that prevailed in the colony, which prevented selectors from taking up land. I have not the slightest hesitation in saying that the drought had nothing whatever to do with it. The drought has not prevented homestead selections and conditional selections from being taken up. The sum anticipated by the hon. gentleman to be received from that class of selections has, I believe, been more than doubled, and the drought prevailed as much when those selections were taken up as it does now. The fact is that there is a general desire throughout the colony to obtain land as private property, as freehold, and as general a disinclination to settle on the land as tenants, whether of the Crown or any private landlord. But I do not intend to dwell upon that subject. Reference has been made to the greater proportion of revenue which was derived from the sale of land by the Government which preceded the McIlwraith Government, than that which was derived from that source during the time the McIlwraith Government was in power. We are now given to understand that the present Government have changed their views on that subject, and no longer believe in alienation. That may be very true, but what is the difference so far as the people who live in the country are concerned—the people who have to occupy the land? They are not allowed to purchase land, except in agricultural areas. They are not allowed to buy their homes: they must take them up as leaseholds, and after the first ten years, and every five succeeding years, they are liable to have their rents raised. What is the difference so far as they are concerned? The Government say their object is to raise a revenue, but so far as the people are concerned who have to pay that revenue, not only are they compelled to remain as leaseholders under the Government, but whenever there is the slightest excuse to squeeze more rent out of them they are bound to pay it. That is the result of this change in the opinions of the Government. It may be a good idea to raise revenue, but it is the worst principle that could be adopted so far as the men who occupy the land are concerned. I would mention one other matter with regard to the revenue derived from the land. I am not in a position to quote the exact figures, but during the time the McIlwraith Government was in office the money that was derived from the sale of land, added up, was only equal—there was a difference of some £4,000 or £5,000—to the money that was invested from surplus funds for immigration and for reproductive public works. I say, speaking roundly, that the whole of the revenue derived from sale of land by the McIlwraith Government during their five years' tenure of office was re-invested for purposes of immigration and for reproductive public works. Now, sir, is that taking advantage of the lands of the colony? With regard to these proposed new taxes, I must say that I cannot agree with them. It is a most remarkable fact, sir, that at the time when the Treasurer was able to point out to this Committee that the revenue of the colony, taken at per head of population, was greater than the revenue of any other colony, based upon the same calculation—that the revenue from Customs was greater than the revenue from that source in any other colony, taking the same *pro rata* calculation—that at this very time, when we are so much in advance of the other colonies as the Treasurer represents us to be,

he should come forward and say "We must have more taxation." I think it will be difficult for people to understand how it is, if the colony is in so much better a position so far as revenue is concerned than it was, that the Treasurer should come forward and demand further taxation in order to increase the revenue. I say that very fact alone shows that there is something thoroughly unsound in our financial system. I do not believe in the duty on timber. In the first place the Government imposed a royalty on timber in order to secure a revenue from the natural products of the country. They had no idea then of proposing a tax on imported timber. It was not until those engaged in the timber business took the matter up, and a deputation waited upon the Minister for Lands in Brisbane and other places, that the Government proposed to counteract the effect of the tax first imposed by putting on an import duty. The proposal was first made, I believe, by the hon. gentleman who, while professing to be a freetrader, actually proposes to levy this tax upon timber in order to counteract the effects of the royalty which he himself has imposed. The effect of this duty, I believe, will be to raise the price of timber throughout the whole colony. It will not only raise the price of local timber, but of imported timber also, and the result will be that the timber industry and all those connected with building—who wish to put up houses or cottages for themselves—will have to pay this advanced rate. The effect of the other duties will be exactly the same. I do not think it is necessary to say much about the duty on spirits; but it is somewhat remarkable that when the Treasurer proposed a duty on beer he did not also propose that an excise duty should be charged upon colonial wine. Why should it not be charged in one case as well as in the other? I do not mean to say that those duties should be charged; I do not think they should; but it is somewhat remarkable that the hon. gentleman should only propose a tax on beer manufactured in the colony, when he is willing, or was willing a short time ago, that it should be arranged to abolish the duty on colonial wines so that wines from the other colonies might be admitted free. I think the one item to which more objection might be taken than any other is the tax upon machinery. It is contended by hon. members opposite that it is desirable to put a tax upon machinery in order to protect and encourage local industry. It is asserted that in this colony we have foundries where almost all the machinery that is required can be manufactured. I doubt that that is the case. However, for the sake of argument, I will admit that it is so, and I will ask—Why should this tax be levied to encourage those foundries to the absolute detriment of all the other productive industries in the colony that use machinery? We put a tax of 5 per cent. upon all machinery imported, professedly for the benefit of the foundries, and all the other industries of the colony which require to use machinery have to pay that tax for the advancement of those foundries. Where is the sense in that? We protect one industry and we tax a score. I am one of those who think that machinery, above all other things, should be exempted from duty, and the reason—I presume that as the hon. the Treasurer took the trouble to write it out in his speech he intended it as a solid reason—for the imposition of this duty, or for taking machinery out of the list of articles exempted from duty, is the case that he mentioned where someone attempted to get animal charcoal passed through free of duty as sugar machinery. Is that a reason to give—that because someone tries to take advantage of the Custom House a duty should be imposed on all machinery

imported into the colony? Nobody but a fool would listen to such a proposal as to admit animal charcoal free simply because it is used in sugar manufacture, and yet the hon. the Colonial Treasurer took the trouble to write out that trumpety fact, have it printed in his Budget Speech, and put it before this Committee as a reason why this 5 per cent. *ad valorem* duty should be charged. The hon. member for Mackay in referring to this matter spoke of the mining industry as being in a prosperous state at the present time. I do not know whether the hon. gentleman meant that on that account the miners would be able to pay this tax. If he did, I do not agree with him, because, although it must be admitted that the mining industry generally is in a prosperous condition—although some of those concerned in that industry are doing remarkably well—some of them making fortunes—that is not a reason why others who are not doing well should be taxed for trying to open out fresh fields of mining industry, which at present are not productive or are only giving a small return for capital invested. The object in admitting this particular mining machinery duty-free is to induce miners—men who have capital and are willing to risk it—to take up new country, not only for prospecting purposes, but to work it and put machinery upon it. I ask, is it a fair thing to those men that their industry and enterprise should be checked simply because hon. gentlemen on the other side of the Committee choose to state that all the machinery that is required in the country can be made here, and therefore the foundries should be benefited to the extent of 5 per cent.? How long is it, sir, since these foundries have required any assistance at all? How long is it since there has been any slackness in the foundries of the colony? There are a good many—some in Maryborough, some in Brisbane, some at Rockhampton, at Toowoomba and other places—and three years ago all these foundries were in full work. It is only since the time when the present Government came into power that they have had any reason to complain of the dulness of trade. Up to that time they were doing well. I see the hon. the Colonial Treasurer smile, but he knows perfectly well that what I say is a fact—that with the advent to power of the present Government the foundry industry began to grow slack—and it began to grow slack for reasons that it is not necessary to go into now. The explanation to a certain extent bears upon the action taken by the Government. I do not think that the Treasurer will deny that what I say is correct—that three years ago the foundries were in full work, and did not know how to get through it. The Government had work in hand in some of the foundries which they could not get carried out for months after the time specified; and in some instances the foundries were prepared, rather than be compelled to go on with the work, to forfeit the overtime which was charged against them. Private firms also had any amount of work that they could not get done. How is it that if they were in such a flourishing condition at that time a protective duty of 5 per cent. is necessary now to keep them going? The legitimate conclusion is that the Government are in need of money at the present time, and bring that forward as an excuse for taxing machinery, which I think is above all things an item which ought to be admitted duty-free into the colony. It has been free for a long time now, and I think the reasons which were urged at the time for admitting it free of duty are as strong now as ever they were before. I do not think it is necessary to-night to go into this subject much further. There is only one thing I will say, which I forgot, with regard to the tax upon beer. It has been contended that the public

will not be taxed—that the tax will be borne by the brewers or the publicans, I do not know which. Now, I ask you, Mr. Fraser, from your knowledge of human nature and business, whether either the publicans or brewers are willing to give up £40,000 a year, which the Colonial Treasurer anticipates to collect from this source, rather than charge extra for their produce? I think the reasons that have been given for the imposition of these taxes are excessively bad ones. I do not think they will bear any argument, and I believe that if hon. members on both sides of the Committee would freely give expression to their ideas, and vote in accordance with those ideas, they would be disagreed to without the slightest hesitation at all. But when we find hon. members ready to stand up in their places and say, "I do not believe in that tax; I don't think it is a proper tax, but I suppose I must vote for it;" what are we to expect? I certainly must confess I was a little surprised when the hon. member for Drayton and Toowoomba—Mr. Aland—rose up and made his short speech. I knew that the hon. member would support the Government so far as he possibly could, but I think that after a member of this Committee tells the Committee distinctly that he does not believe in the imposition of some particular tax, but he supposes he will have to vote for it, it is a poor lookout for the Committee and for the country.

Mr. KATES said: Mr. Fraser,—I am very much pleased to hear that the hon. gentleman who has just sat down does not condemn the Land Act altogether. I do not think he would be justified in condemning it at its present juncture. The Land Act has not had time to get into operation, and I think it is premature to condemn it now. I would not have risen had it not been that I wished to make a few remarks with regard to what was said by the hon. member for Bundamba. He said it was his opinion that the farming industry had been too much "coddled," and he suggested that the 6d. duty on wheat should be done away with. I remember, not very long since, that the hon. gentleman enjoyed a protection of £5 on every bale of cotton raised in Ipswich, and the hon. member for Mackay has enjoyed £5 protection duty on sugar, and I do not see why farmers on the Darling Downs or wheat-growers in general should not be protected on a small scale. With regard to the question before the Committee, I must tell the hon. Colonial Treasurer that, above all, the tax upon agricultural implements will be found very unpopular in this colony, because we are obliged to import implements from Melbourne and England which cannot be manufactured here. We are obliged to have threshing-machines and others from England, and I do not think the farming community will like it very much. With regard to beer, I believe, with the hon. gentleman who has just sat down, that the burden will fall upon the working man. Instead of paying 3d. for each glass they will have to pay 6d.; such taxes generally fall upon the small men. If the hon. Treasurer will confine himself to putting an additional duty upon spirits alone, and instead of increasing it by 2s. increase it by 10s., he would raise as much revenue as would cover all the other articles. Those who want to drink gin or whisky, or brandy, can pay for it, to the extent of 6d. per "nobbler," or even 1s. There is one thing I would ask the Colonial Treasurer. We have been borrowing very largely for these last twenty years and are keeping on borrowing. Where will this terminate; when shall we stop borrowing?

Mr. BLACK: When we have land revenue.

Mr. KATES : We will have to provide for a larger population, or there is sure to be a collapse in the colony. The borrowed money keeps things going on swimmingly, and money spent in public buildings and railways causes the prosperity the hon. gentleman has alluded to. But the prosperity of the colony is not so great as the hon. gentleman wishes to make out. I wish to call the hon. gentleman's attention to this: I also find on the Estimates £50,000 for sugar-mills. I do not think that the Committee will agree to such an appropriation. I do not see why sugar-mills should be erected at the expense of the country. Foundries and flour-mills should be treated the same way; but when that question comes before the Committee I do not think it will be accepted. The pastoral interest is not very flourishing and the sugar industry is not very flourishing. Owing to the great losses in stock caused by the late droughts the pastoral interest is declining, and it is owing, also, to the low price of wool. So that I think the hon. gentleman should look to the mining interest and the agricultural interest as likely to be the salvation of the colony, and if he starts by putting a tax upon machinery I think it is a step in the wrong direction. I do not wish to say any more until the Estimates come on. I shall do my level best to try and cut them down as much as possible, so as to make up for the estimated deficit of £26,000. I have no doubt that a great many hon. members will support me.

Mr. ISAMBERT said: Mr. Fraser.—It has been said that the financial policy of the Government is unsatisfactory, but I am sorry to say that the attack of the Opposition on that policy is still more unsatisfactory. A weaker attack I have never heard; and as the attack of the Opposition on the financial propositions of the Treasury has been so weak, perhaps I shall be more successful in attacking it on the rear. During the last twelve months, and particularly the last six months, I have been confronted by opponents as well as friends of the present Government, with the question—"How is it that when the Liberal Government comes into power there is a deficit in revenue and depression in the colony generally, and that when the Conservative party takes the reins of government, business becomes prosperous and a surplus revenue is the consequence?"

The PREMIER : The answer is, that it is not so.

Mr. ISAMBERT : The Premier and the Colonial Treasurer say that it is not so in reality, but it matters little whether it is so or not; it matters very much though how the people look at it, and the Conservatives understand very well how to put on the *couleur de rose* with regard to matters affecting them and their opponents. And it is just on this account that very few members address themselves to the real defects of both policies. If the question at issue is very clear, how is it that when the Conservative party is in power people get frightened at their schemes, and consider that the best interests of the colony are in jeopardy, and turn their hopes to the Liberal party, but no sooner is the Liberal party in power than the people get disappointed in their hopes and return like babes to the opposite side again? The only defence to the attack made by the leader of the Opposition on the financial policy of the Government was that made by the Premier; but able as that defence was it was only from a very commonplace platform, and the only gleam of light, the only olive branch in the whole debate was put forth by the Premier, who said that the taxation proposals should produce not only £90,000 or £100,000, but £300,000 or £400,000, with which the Government could carry

out schemes for the benefit of the whole colony. I sincerely hope that olive branch will grow into a mighty tree, and that the colony of Queensland will prosper and grow into a mighty State. There cannot be such a great difference in the policies of both parties if the people are so doubtful that they drift from one party to the other; and in certain respects I believe there is very little difference between the two. I will show their similarity in some respects. Both parties believe in borrowing, both parties are addicted to freetrade, both parties act contrary to their professions, and the consequence on these occasions is slavery. The Conservative party believe in borrowing, to the country's sorrow, as will be found eventually; and the Liberal party have taken up that false policy, outwitting the Conservative party. I remember when the Liberal party were defeated in their opposition to a certain loan; and since then it has been considered an example of statesmanship to propose borrowing policies; but now that the Liberal party has proposed a real borrowing policy the Conservative party finds fault because the Liberals have stolen their ugly tool. Both parties are addicted to freetrade, and both parties act contrary to their professions. No hon. member has studied political economy more than the leader of the Opposition, and he believes in protection, yet no hon. member has done more for freetrade than the leader of the Opposition. If you analyse the proposition to reduce the duty on boots—which was at that time misprinted into "boots"—you get the key of the whole policy at that time. It was supposed that immigration would take place largely, and that the immigrant ships would have to carry so many lifeboats that they would be in the road on the return voyage; and in order to make their sale more ready the amount of duty was reduced; but never has the leader of the Opposition proposed any financial scheme for the protection or encouragement of our industries. The Liberal party profess to believe in freetrade, yet I believe that they above all parties have done more towards the encouragement of our industries than any other party—and little enough that encouragement has been, I can assure you. For instance, the Minister for Works, when he took office and found trade generally in a depressed state—reviewed the indents to be sent home for material for railways and threw out a lot of items that should be made here instead of being imported. I give him credit for this. It is in accordance with common sense. Any man who has the welfare of the country at heart would do so. But is it correct? I am sure these articles could not be made in this colony except at an advanced cost of 10 or 20 per cent. If it is correct financially to have these articles made here at this increased cost the whole fiscal policy of the Government should be in accordance with it. So long as the policy of the Government is freetrade they should stick to it; but if they believe in the protection of certain of our industries they should come forward with a fiscal policy for the protection of all our industries. It is wrong for the Government to favour one industry by protecting it. I do not use this as an argument against the encouragement of our industries, but to show the absurdity of the encouragement of a few industries being dependent upon the will or favour of a Minister of the Crown. I want it to be the law of the land. The action of one Minister of the Crown may lead to the establishment of an industry, and the action of his successor may put a stop to that industry and produce a great deal of misery; but if it is the law of the country there will be a general progress in those industries. Borrowing and freetrade have slavery for their object. The Conservative party go straight. They do not mince matters. They

believe in borrowing and freetrade, which means buying in the cheapest and selling in the dearest market; and so far as this country is concerned, importing all manufactured articles from England and exporting the raw products of cheap labour. They have no disguise about it. They go in for cheap labour by hook or crook. So long as the South Sea Islanders could be got without looking too closely into the way in which they were got, things went on sweetly; but when this was objected to the introduction of Indian coolies was proposed, and the white man, with his proclivities for European civilisation, was in the way. This policy alarmed the people of the colony generally, and they considered their existence was threatened by this policy of borrowing, slavery, and freetrade. The Liberal party, so long as they are addicted to freetrade, must necessarily have the same object in view. They must have the products of cheap labour, no matter where it comes from, and the inhabitants of this country, so long as they have to contend against cheap labour, cannot be just to the requirements of civilised life. The only difference between the parties is that the Conservatives want a slavery which is black, while the action of the Liberal party, though their intention is to govern the country well, accomplishes against their will the enslavement of the people, and they make white slaves. The conclusion naturally to be arrived at is that the Liberal party fail chiefly by their policy being not a liberal policy but a hybrid policy. They stand on a wrong platform of borrowing and freetrade. They went against the land speculation policy of the Conservatives, and their land policy naturally destroyed one of the most profitable industries in Queensland. Having destroyed this profitable industry of land speculation, the Liberal party must naturally expect rough weather, until the country settles down in more correct lines. It is not necessary to go into borrowing to do so. Last year our indebtedness amounted to £16,570,850, upon which the interest amounted to £704,337. This year our indebtedness amounts to £19,320,850, on which the interest amounts to £811,565. The total interest paid up to the present instant is £7,827,685. We have paid that already in interest upon loans, and where is it paid? It is paid in England. Of the £19,000,000 that we have borrowed very nearly one-half has been paid away in interest. Last year the Colonial Treasurer, when addressing his constituents, and also in this House, told us that very little of the money we borrowed came into the colony in actual cash. Of the last £8,000,000 borrowed only £100,000 reached the colony in actual cash; all the rest was spent in England for manufactured goods, so that our borrowing encouraged industries in the old country. It is on this account that England is not averse to the colonies borrowing. Now, we want to encourage our own industries, but when we borrow money and spend it on manufactured goods out of the colony we are simply knocking our own industries on the head—making their existence almost an impossibility. I have yet to know that you can eat a pancake and have it. You cannot spend money in England and have it here. We have only to borrow £4,750,000 more and then our annual interest payments will amount to a clear £1,000,000. If we are to pay £1,000,000 per annum interest, how are we to spend £2,500,000 a year on railways? Some persons say it matters very little if we borrow money, whether we get it in actual cash or goods. In some respects that is true; but I contend that if we borrow money for railways we ought to have it spent here. This, however, is not the case, as has been proved by the Colonial Treasurer. The money borrowed is not sub-

scribed in actual cash, but, according to the banking system in England, is put to our credit in that country and afterwards paid away for goods sent out to the colony. These goods are sent to the country storekeeper, and he extracts the money from the people and pays it into the Treasury. So that the money we fancy we have borrowed actually comes from the people, but originally from the mining and other industries, or immigrants who have brought their fortunes out here. We ought certainly to be in a position to pay for our imports with our exports, but we are not. During the last three years our imports exceeded our exports by nearly £4,898,040. We seldom hear that sovereigns have been imported into Australia, but we constantly see in the manifest reports of so many hundred thousand sovereigns having been exported to England; and it is supposed that two and a-half millions annually reach England in sovereigns. If the borrowing system were sound, sovereigns would be imported instead of exported by the colony. Victoria, which is a protectionist colony, also goes on with this mad system of borrowing; but having encouraged her own industries to a considerable extent she does not require so much importation of manufactured goods, and so when she goes into the money market borrowing she really borrows sovereigns. We find that last year, when she borrowed heavily, over a million of sovereigns were exported from England to Victoria. The balance on the wrong side—of imports over exports—for this colony in 1882 was £1,909,411; in 1883, £1,123,787; and in 1884, £1,864,842; which clearly shows that there is something very wrong in our little State of Denmark.

Mr. MOREHEAD: Are you going to take Denmark next?

Mr. ISAMBERT: I cannot conceive otherwise than that big loans are a big delusion to the people of the colonies, making the people believe that we can defray our expenses without resorting to taxation. This contracting of loans is nothing but a license to freetraders to get money out of the pockets of the people to injure and ruin our industries. Look wherever you may, any country which goes largely into borrowing and has a system of freetrade is also miserable and the people are more or less enslaved. Ireland is in a miserable condition on account of this very freetrade.

Mr. MOREHEAD: No.

Mr. ISAMBERT: So is Turkey, by borrowing and freetrade; and so is Egypt; and so is England.

Mr. MOREHEAD: No; you are wrong in every case.

Mr. ISAMBERT: I am not.

Mr. MOREHEAD: Yes; you are wrong right through.

Mr. ISAMBERT: I believe that if the indebtedness of the whole of the Australian colonies were reckoned up it would not be far short of £300,000,000. What is the state of our colony now? Goods are forced on our market and our markets are overstocked. Ask what merchant or commercial traveller you may and you will find that all complain that money is tight and that the market is overstocked with goods, and all this is clearly in consequence of our borrowing system. The Conservatives, although their leader honestly believes in protection, try to make the people afraid that taxation is a burden to them, while in reality, if we would tax ourselves for our requirements, it would be no burden. It would foster all our industries into considerable activity. When I passed through the North I

found the air actually charged with a cry for separation. A good many in the South of Queensland believe that this is a wrong cry, but I am not of this opinion. There is more behind this cry for separation than a great many Southern members think. The general state of things in the North is not satisfactory, because the only things it has to rely upon are mining, commerce, and the pastoral industry. Everything is imported and nothing exported, and whenever there is a disturbance there are hard times. People feel there is something wrong, and whenever there is something wrong the sympathies of the people are against the existing Government. I believe if the Government were to adopt a bolder policy they would galvanise our industries into a healthy state. The North will cry for separation, and so far as the North is concerned it is quite right in asking for separation; but as patriotic Queenslanders we are bound to oppose such a movement, no matter if it is against our interests to do so. The Government now propose to tax timber, spirits, beer, and machinery; and with regard to the proposed tax upon timber I quite agree with it. The Government is perfectly right in asking a royalty for timber cut in its own forests; and the Government is in duty bound to protect those engaged in the industry, and levy an import duty. No sound argument can be brought forward against the duty on spirits, and if it were doubled I believe that would do more to make the people sober and put money into the Treasury than half the lectures of Mr. Booth. Beer also can stand some taxation, and I am not of the opinion that by increasing the duty the poor man's glass will be increased in price. When the people once understand the principles of taxation they will cry out for it, because it increases their industries. But I believe that the Government have not carefully considered the taxation on beer, because if they had the encouragement of our industries as their object they would have imposed a duty on malt. A traveller, whether he is starting out fresh on a journey or whether he is weary, would be very foolish to hang his swag on his nose or on his foot; and so it is with the Colonial Treasurer—he carries his swag so that it will interfere with his progress. I have yet to learn that the Treasurer is a magician. He cannot charm money into existence, so taxation is necessary; but it should be levied in such a manner as to have a semblance of consistency. I do not think he is wise in imposing the increased duty upon beer. He should have imposed a duty on imported malt, for by so doing he would encourage the manufacture of that article in the colony and would encourage the manufacture of beer on the Bavarian system.

Mr. MOREHEAD: That is Germanising us too much.

Mr. ISAMBERT: I know why the hon. member would not support that proposition—because it would interfere with his business. English beers must be brewed strong or they will not keep, while the peculiarity of lager beer is that it is sound while being of a low alcoholic strength, and sound lager beer can be produced containing 3 per cent. of alcohol, while English beer contains 8 per cent. If the Treasurer would exempt these beers he would encourage the manufacture of beer on the lager-beer system.

Mr. MOREHEAD: Larger-beer system, you mean.

Mr. ISAMBERT: Lager. Perhaps you cannot spell it. Companies would then go in for the erection of refrigerating machinery, and a very great deal of money would be paid into the consolidated revenue. With regard to the

tax on machinery, I think it has very little to commend itself. A 5 per cent. *ad valorem* duty will simply be a burden without affording any encouragement to any industry. Only to-day I was talking to a sewing-machine agent, and he said that the proposed tax was a very wrong one. It was a tax that would affect the poor people, and many a poor woman has to earn her living with the assistance of a sewing-machine, and this tax will put another 10s. on to the cost price of it. There is considerable force in that argument. According to the Treasurer's statement 70,000 hogsheads of beer are brewed per annum, and the brewers can very well stand an additional 3d. per gallon. The beer they brew is not always made with malt. Another item is £50,000 to assist the sugar industry; I am glad to see the Government have come to the determination to do something to bring that industry into a satisfactory state. Formerly we used to hear a great deal about the Government ruining the sugar industry by their legislation against black labour. There can be no doubt that the sugar industry is in a depressed state, and nowhere more so than in Mackay; but to think that £50,000 would bring the industry into a healthy state in Mackay, where millions would have to be expended, is a mistake. A better method would be to levy an excise duty on all sugar produced in the colony, and to allow a rebate of duty on all such sugar exported as has been produced by white labour. This would lead to the production of sugar by white labour and farmers, more than all the £50,000 proposed in this way. On the whole, I cannot support the proposed taxation for two reasons—first, because the duties so proposed are no protection or encouragement to our industries; and secondly, because they are insufficient for raising a sufficient amount of revenue to do away with the borrowing now carried on. If the Government were dependent on my vote, I would vote for it, though not believing in it, because I believe that, however much they may fail in their policy, the Conservatives, if they came into power, would do far more harm to the interests of the people. The Government honestly try to do the best for the country, and I am quite certain that if the Premier's suggestions were carried out, and he could persuade his colleagues to go the right road, a greater amount of revenue would be raised by taxation. They are hampered by the amount of superstition among the people about taxation.

Mr. NELSON asked if it was proposed to proceed any further with the debate at that late hour?

The COLONIAL TREASURER, in moving that the Chairman leave the chair and ask leave to sit again, said: I will take this opportunity of reading some collateral resolutions which I shall move to-morrow. They are to this effect:—

That there be raised, levied, collected, or paid upon any wines, spirit, cordial, compound, or other liquor containing a greater proportion than 30 per cent. of proof spirit, a duty at the highest rate chargeable on spirits.

That there be raised, levied, collected, or paid upon goods imported, which have been partially converted into goods which would be liable to a higher rate of duty, a duty at a rate equal to one-half of such higher rate of duty.

That there be raised, levied, collected, or paid upon goods imported which are substitutes for known dutiable goods, a duty at the same rate as that payable upon the goods for which they are substitutes, or such less rate as may be fixed by the Governor in Council.

That it is desirable that brewers be registered and that a fee of £25 be charged for such registration. I merely read them to-night; they will be circulated in the morning.

The HON. SIR T. McILWRAITH said: Do I understand that this new tariff is an addition to the one before us, and that we shall have to carry on the debate on it to-morrow night?

The COLONIAL TREASURER : They are merely subsidiary to the tariff proposals.

Mr. MOREHEAD : If the resolutions are passed by this Committee, do they come into effect before the Bill is passed ?

The COLONIAL TREASURER : No.

Mr. MOREHEAD : Then why does not the hon. gentleman wait till the Bill is passed ?

The PREMIER : The report from the Committee of Ways and Means must authorise all that it is desired to put in the Bill, otherwise there is no authority for it. As the Bill is originated in Ways and Means it is necessary the order should be large enough to cover the whole. These resolutions are merely subsidiary.

Mr. MOREHEAD : Then no action is taken until the Bill passes, so far as regards duty or licenses ?

The PREMIER : No ; it is purely formal.

The HON. SIR T. McILWRAITH : Before you leave the chair, sir, there is a matter I wish to refer to. At a previous part of the evening I told the House that while I was endeavouring to float a loan in London there were far worse articles against the Government of Queensland in the Glasgow and London Press than anything that came out in reference to the 1884 loan. I said further that there was one letter written, which I was led to believe, and do believe, was inspired by the hon. leader of the Government. I have been looking it up, and I find the letter is in the *Brisbane Courier* of Saturday, March 27th, 1880. I thought the name was signed to it, but I find it is not. That letter is the one I was led to believe, and do believe, was instigated by the present Premier.

The PREMIER : I observe the letter is dated from Brisbane, and addressed to the *Glasgow Herald*. I should like to know the name of the person who told the hon. member that I had anything to do with it. My own opinion is that the name of the person is "Mrs. Harris." Whoever wrote the letter certainly did not get his inspiration from me.

The HON. SIR T. McILWRAITH : I am not called upon to say who it was who informed me that the letter was inspired by the hon. member, but anyone reading the letter can see that it is full of just such information as he would have given in the position he was in at that time. The man who did write the letter—I forget his name—was president, I believe, of the Chamber of Commerce at Glasgow, and he informed some fellow-passengers of mine, who informed me that it was written to block the loan, at the instigation of the present Premier, Mr. Griffith, and of Mr. Stewart, of the firm of Scott, Dawson, and Stewart.

The PREMIER : Whoever told the hon. member that, I can give the statement the fullest and flattest contradiction. I have never yet descended to the meanness of attempting to injure the colony to gratify any private feelings of my own.

Mr. ISAMBERT : Anyone who could succeed in blocking a loan would be the greatest benefactor to the colony.

The HON. SIR T. McILWRAITH : I greatly admired the speech of the hon. member for Rosewood. He made the same speech word for word and quoted exactly the same statistics against the ten-million loan last year, and then he went and voted for it.

Mr. MOREHEAD : After hearing the speech of the hon. member for Rosewood the idea has

struck me very forcibly that if he had only been an Englishman he would have been a very able man.

Question put and passed.

The House resumed ; the CHAIRMAN left the chair, reported progress, and obtained leave to sit again to-morrow.

ADJOURNMENT.

The PREMIER, in moving the adjournment of the House, stated that to-morrow the resumption of Committee of Ways and Means would be the first Order of the Day. It was also possible that motions concerning one or two railways might be moved.

The House adjourned at four minutes to 11 o'clock.