

Queensland



Parliamentary Debates
[Hansard]

Legislative Assembly

WEDNESDAY, 17 AUGUST 1887

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MINISTERIAL STATEMENT.

The PREMIER (Hon. Sir S. W. Griffith) said: Mr. Speaker,—I have to inform the House that I have been sworn in as Colonial Treasurer, in the place of my hon. friend Mr. Dickson. I hope that my tenure of the office will be temporary only. I have also to inform the House that Mr. Walter Horatio Wilson has accepted the office of Postmaster-General, and has been appointed to that office.

QUESTIONS.

Mr. NORTON asked the Colonial Treasurer—

1. Has the Engineer for Harbours and Rivers yet furnished plans of dredge for use in the Narrows at Port Curtis and similar places?
2. When is it expected that the dredge can be completed and made ready for use?
3. About what time is likely to be occupied in dredging the Narrows when the dredge is put to work here?

The COLONIAL TREASURER (Hon. Sir S. W. Griffith) replied—

The report and plans are in course of preparation but have been delayed by the illness of the Engineer for Harbours and Rivers. He expects, however, to be able to furnish them in the course of a few days, when they will receive the immediate consideration of the Government.

Mr. LUMLEY HILL asked the Minister for Works—

1. Have the claims of O'Rourke and McSharry in connection with,—
1st. The Brisbane Valley Railway,
2nd. The Bundaberg and Mount Perry Railway,
been finally settled?—if not, have any moneys been paid on account?
2. If so, what were the amounts so paid, and the names of the parties who received the money?
3. If the claims have not been settled, what course do the Government intend to take with regard to them?

The MINISTER FOR WORKS (Hon. W. Miles) said: I would ask the hon. member to repeat his question to-morrow. I have not got the answer.

Mr. LUMLEY HILL: I shall be quite contented to do that. I think I shall be in time before the general election at all events.

Mr. FOXTON asked the Minister for Works—

Is it the intention of the Government to introduce during the present session a Bill to amend the Mineral Lands Act of 1872?

The MINISTER FOR WORKS replied—

The Government have the matter under consideration, and, if the state of public business will permit, the matter will be dealt with.

PETITIONS.

AGAINST INFLUX OF CHINESE.—ESTABLISHMENT OF UNIVERSITY.

The ATTORNEY-GENERAL (Hon. A. Rutledge) presented a petition from the Chamber of Commerce, Charters Towers, praying the House to pass such measures as will effectually prevent the further influx of Chinese into the colony; and moved that it be read.

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

On motion of the ATTORNEY-GENERAL, the petition was received.

The PREMIER presented a petition from the Council of the Royal Geographical Society of Australasia, signed by the vice-president, A. C. Gregory, praying for the establishment of a university; and stated that the petition was in

LEGISLATIVE ASSEMBLY.

Wednesday, 17 August, 1887.

Australian Joint Stock Bank Act Amendment Bill.—Ministerial Statement.—Questions.—Petitions.—Against Influx of Chinese—Establishment of University.—Ways and Means—resumption of committee.—Adjournment.

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

AUSTRALIAN JOINT STOCK BANK ACT AMENDMENT BILL.

Mr. W. BROOKES presented a report from the select committee on the Australian Joint Stock Bank Act Amendment Bill, and moved that it be printed.

Question put and passed.

On the motion of Mr. BROOKES, the second reading of the Bill was made an Order of the Day for Thursday week.

the same form as other petitions which had been recently received. He moved that the petition be received.

Question put and passed.

The PREMIER then presented petitions of similar purport and prayer from the superintendent, minister, treasurer, and secretary of the United Free Methodist Church of Queensland; from 367 teachers in Queensland State Schools; and from the divisional boards of Tabragalba, Burke, and Baubinia; and moved that they be received.

Question put and passed.

Mr. MURPHY presented a petition from the municipal council of Blackall, praying that the House may see fit to establish a university in Queensland; and moved that it be read.

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

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

Mr. HAMILTON presented a similar petition from the inhabitants of Cairns, and moved that it be read.

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

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

WAYS AND MEANS.

RESUMPTION OF COMMITTEE.

FINANCIAL STATEMENT.

On the motion of the PREMIER, the Speaker left the chair, and the House resolved itself into a Committee of the Whole to further consider the Ways and Means for raising the Supply to be granted to Her Majesty.

Question—

That, towards making good the supply granted to Her Majesty, there be levied in each year upon the owners of freehold land within the colony a tax at the rate of one penny in the pound of the unimproved value of such freehold land over and above the first £500 of such value—

put.

Mr. DICKSON said: Mr. Fraser,—I avail myself of this opportunity, on the resumption of the debate in Committee of Ways and Means, to place before this Committee and the country my views on the present financial position of the country, and to state what, in my opinion, is the right course to adopt at the present juncture of its affairs. I am indebted to the courtesy of the hon. leader of the Opposition for allowing me to follow the Premier, so that I may place before the country my views upon the Budget statement which he delivered last week. In acknowledging that courtesy from the hon. leader of the Opposition, I have also to add my acknowledgments of his very generous remarks concerning me when my resignation from the Ministry was announced to this House. I do not, however, desire to be understood to usurp the functions of the hon. member in criticising the financial position of the Government. I merely wish to place before the country my own views of what is the correct course to adopt at the present time. In doing so I feel that the position I am placed in may perhaps make me liable to a misconception, and I therefore ask the kindly forbearance of hon. members on both sides in the course of the remarks I am about to make. Had I in resigning from the Ministry crossed the floor of the House I should not have asked for any forbearance, because I should have known that hon. members would at once have seen that I had forsaken those representatives who have

invariably prided themselves on being the Liberal members of the country. I wish it to be distinctly understood that in retiring from the Government I do not cease to be a Liberal member. I trust that as long as I remain in political life I shall always be associated with those gentlemen who especially call themselves the Liberal representatives of this colony. I wish it to be distinctly understood that I do not consider that when a member differs from the Griffith Government he must necessarily retire from the Liberal ranks. I have yet to learn that the new gospel which has been propounded by the Premier must necessarily embrace all, and surround all, and contain all the principles of Liberalism. I say that a man, while honestly differing from the Premier, may yet remain a member of the Liberal party—that he need not sever his connection with it because he is opposed to what I am obliged to term the new departure which the Premier has taken in the direction of the financial affairs of this colony. The hon. gentleman, in the course of his speech, compared the Government to a ship with her colours nailed to the mast, sailing on a certain course to her destination, and preferring to go down in that condition rather than to retract or recede from the direction of her course. I would pursue the simile a little further, and say that while I quite recognise the aptness of the metaphor of a good ship with her colours flying on a voyage, yet I consider the Premier is highly to be blamed if by neglecting to conform to the sailing directions he imperils the safety of the ship; if while obeying the sailing directions he could find plenty of sea-room and keep clear of all rocks ahead, it is better for him to do so and carry his cargo and passengers safely into port than by a foolhardy and mistaken course to wreck the valuable ship and cargo entrusted to his charge. Of course, Mr. Fraser, I must accept the financial history of the past twelve months as connected with my own administration of the Treasury. I do not intend to criticise the administration of the finances, which has been under my own direction, and I am quite content to accept the responsibility of our position at the present time, with a deficiency of about £410,000 in the Treasury on the 30th June, and with a contingent expenditure on account of unexpended balance of surplus revenue appropriation of £59,000, or thereabouts, making in all £469,000. I am also content to say that I am with the Premier in the mode of dealing with the deficit; but I may go on to say that I do not consider it absolutely necessary that provision should be made for the replenishment of the Treasury to this extent during the present financial year. I consider that is an effort beyond our means; but I desire that the financial position of the colony should now be placed in this position: that while the revenue for the present year shall of itself be sufficient to meet the expenditure, there shall also be a surplus provided by which this heavy deficit shall be ultimately extinguished. I am also at one with the Premier in the manner in which he proposed to transfer to loans to local bodies the two items of loans to central mills and the cost of rabbit-proof fencing. On that point there is no difference between us. Nor can I charge the Government with a difference between us on the very important matter of endowments to municipalities. I, as Treasurer, felt that the enormous increase of these endowments, being an unknown quantity, was a matter which certainly required most careful consideration. I was the first, I think, to draw the attention of my hon. friend the Premier on his return from England to the absolute necessity of the Treasury being protected

against these continuously augmenting claims to an unknown amount, and my desire was that in dealing with this matter a limit should be fixed, without which I think that no other scheme would be satisfactory. My hon. friend considered that it would be more convenient to appropriate from year to year whatever amount could be spared by the Treasury to endow these local authorities, and with that great ability he possesses in drafting measures he framed certain clauses to give effect to this view. I must say, however, on that reconsideration—and I think I mentioned it to my hon. friend before I retired from the Government—I saw objections to that course. I think it is undesirable that the local bodies should remain in ignorance of what they will receive from the Treasury; and while it is absolutely necessary that the amount of assistance they are now deriving should be curtailed, I say the wisest plan is to fix a limit to the sum which each local authority shall be enabled to draw in pursuance of the endowment at the rate of £1 for £1. I do not charge this to the Government, because on the occasion of my leaving the Ministry there were so many larger matters to consider that this escaped attention. I do not think the Premier will be averse to reconsider the matter in the direction I have indicated—namely, of fixing a maximum limit upon the amount payable to the local authorities. Now, Mr. Fraser, our present position is this: We have a deficit of £410,000 on the 30th June, and a contingent expenditure of actual appropriation to the amount of £59,000, which cannot be rescinded except by a resolution of the House; that is to say, we have a deficit of £469,000 staring us in the face. Now, to my mind, though that deficit of course is a matter for grave consideration, I am not at all despondent of gradually extinguishing it. I do not take the pessimist view of things that the colony cannot recover from the great strain put upon it by the four years' drought. I believe things are mending rapidly, and that this year will show a considerable improvement in the financial position of the country. At the same time I do not think that improvement can be expected to provide a sufficient amount to liquidate the present deficit within twelve months, nor do I think it is a matter about which we ought to trouble ourselves, provided we can see our way to gradually extinguish it in the course of a few years. The position that forces itself upon us all is this: Even with the most favourable Estimates we are still behind the current expenditure of the year 1887-8 to the extent of about £60,000. This is undoubtedly a matter which must be looked in the face; we must not be content to live in a fool's paradise, imagining that both ends will meet without some special exertion to provide the necessary revenue; but I am of opinion that before considering the necessity for further taxation we ought closely to scrutinise the sources of our legitimate revenue, and so save the people from what I consider to be an unnecessary burden of taxation. It may be said that we are not heavily taxed in proportion to the accumulations we are making, but I contend that during the last four years of depression even those who have weathered the storm are not as well off now as they were four years ago. This is not the time of all others when fresh taxation should be imposed, when the colony is only gradually recovering from the distress of four very disastrous seasons. In dealing with the matter of revenue we have to look at what we may regard as the main contributories to the revenue, and I will ask hon. gentlemen to look at the tables relating to the Colonial Treasurer's Financial Statement—Table L. I would first call attention to this: that in 1876-7 when the colony had a population of

187,000 taxation contributed £3 9s. 1d. per head, land revenue £2 7s. 1d. per head, public works and services £1 10s. 7d. per head, miscellaneous services 6s. 10d. per head; total, £7 13s. 7d. per head. I will not weary the Committee by going through all these figures, but will take the table in groups. From 1876 to 1879, during those three years taxation showed a decrease of 10s. per head; land revenue decreased from £2 7s. 1d. to £1 15s. 11d.; public works and services and miscellaneous services show an increase. Those years are the years in which a Liberal administration presided. Taking the average contribution from land revenue during those years it is £2 2s. 9d. per head of population, exclusive of a large sum raised by sales of land under the Railway Reserves Act—namely, £446,000—which would have increased the average by 14s. 10d. per head, making £2 17s. 7d. In the years from 1879-80 to 1883-4 the average contribution of land revenue per head was £2 11s. 11d.; and coming down to later days, from 1884-5 to 1886-7, we get an average of £1 16s. 2d. per head. It will, therefore, be seen that while taxation proper has between 1876-7 and 1886-7 maintained its relative position—that is to say, it stands now at £3 10s. 5d., as against £3 9s. 1d. in 1876-7—the normal revenue from land has receded from £2 7s. 1d. in 1876-7 to £1 12s. 4d. in 1886-7. All other branches of revenue show a decided increase. Public works and services have increased from £1 10s. 7d. in 1876-7 to £2 10s. 4d. in 1886-7, though I am sorry to say that the increased receipts are not correspondingly supported by the net profit received from those public works and services. Miscellaneous services have increased from 6s. 10d. in 1876-7 to 10s. 9d. in 1886-7. The total increase is from £7 13s. 7d. in 1876-7 to £8 3s. 10d. in 1886-7. In 1885-6 £30,000 was expected from grazing farms; only £3,708 was received. In 1886-7 £20,000 was the estimate, while only £6,863 was received. Our total deficiency under grazing farms since the Act was initiated in 1884 amounts to £48,733 short of the estimated receipts. My chief point in referring to these tables, Mr. Fraser, is this: I am of opinion that during the past years we have not received from the public estate of this colony that amount of land revenue which I consider to be the normal return—what ought to be considered the normal return from that contributory to the Treasury. I hold that proportionately with the increase in other sources of revenue the land revenue ought also to increase, and the proportion in which it should increase is what I call its normal condition of increase. Had that normal increase been maintained all through, our position would have been very different. In 1884-5 the grazing areas, which were expected to produce £10,000, only produced £696. The total estimated revenue from land that year was £622,000. Had the land revenue realised, on the average of the years from 1876 to 1879, without including the sales of railway reserves—had it realised the average of £2 2s. 9d. per head, we should have received in 1884-5 £662,436, instead of which we only received £587,331. Again, in 1885-6, based on the population of that year, which was 321,050, had the land revenue produced its normal increase, we should have obtained £686,244, as against £584,346; and in 1886-7 we should have received £732,337, as against £522,312 actually received. In short, during the last three years, had the land revenue produced what might fairly have been expected, the Treasury would have been replenished to the extent of £387,000. The whole secret of our present embarrassment must undoubtedly be traced to the want of assistance to the Treasury from the Lands Department; there is no use disguising that fact. And it will be for hon. gentlemen

hereafter to say they are content that the land revenues shall be a gradually decreasing quantity until attaining a vanishing point, and that we shall substitute for it a load of taxation on the people of this colony which must increase in proportion as the land revenue decreases; it is for hon. members to say whether that is the policy they desire to be persisted in or not. During the present year the estimated receipts from land revenue are put down at £557,000, but if we were to attain the normal increase from land revenue in proportion to our population per capita, at the rate of £2 2s. 9d., we should receive from our lands this year £732,000, which of itself, being £175,000 in excess of the estimated revenue, would cover all our deficiencies, remove all necessity for a land tax or any other impost of that sort, and provide a very handsome surplus at the end of the year for the partial extinction and eventual liquidation of the present large deficit. I would point out, and lay stress upon it, that all our revenue has increased except that from the Lands Department. I say, why should not that be increased? It has a great advantage over other sources of revenue. Taxation and miscellaneous services cannot be increased by any forcible measures of this House. You cannot compel a man to consume more dutiable goods; you cannot compel him to travel on the railway lines more frequently than he is inclined to do; but you can supplement any deficiency by authorising sales of real estate. And that was always contemplated by the Act of 1884, as I think I shall be able presently to show. To justify my view of this case, I say distinctly that when the loan policy of 1884 was promulgated by me—and I had the honour of promulgating it with the approval of my colleagues—it was distinctly understood that the increasing land revenue of the colony would bear the burden of the increased interest due on that loan. There is no disguising that fact; and I say distinctly that I should have considered myself an inposter before the country if I had attempted to bring forward that ten-million loan without having something in the background on which I could legitimately rely for paying the interest on the loan. I do not think I need go out of the House to look gentlemen in the face who made much larger prophecies in connection with this matter than I did. I received assurances from gentlemen in this House—from large pastoralists with the experience of a lifetime in pastoral pursuits, endorsed by large success—that the land policy of 1884 would be such as would replenish the Treasury to an amount which even I never contemplated.

HONOURABLE MEMBERS: Who were they?

MR. DICKSON: I shall not mention names, but I believe that what I say can be easily corroborated. I do not say those gentlemen misled me intentionally. I believe that they themselves fully believed in it, and that they do still believe in it; and it is possible that after the disastrous seasons we have passed through it will still be a large factor in supplying the requirements of the Treasury. But we have yet to see it; it is yet in the future. Let the Land Act stand by all means; let it have a further trial, and I hope it will be ultimately financially successful, and prove a continual benefit to the colony. The pastoralists and others to whom I have referred believed that it would be the means of inducing large settlement on the land. I say, let it by all means have a longer trial, but do not let it in the meantime starve the Treasury. It was never contemplated by the Government that land alienation by freehold should absolutely cease. In 1884, when both the Postmaster-General and myself were members of the Government, and when

this question of the alienation of land by lease holds and grazing farms was before the Cabinet, and we gave our approval to the measure, it was distinctly understood that therewith there should be moderate sales of freehold, so that the Treasury should not suffer.

The PREMIER: Hear, hear!

MR. DICKSON: So that, in case of any temporary disturbance or derangement of the finances caused by the Act of 1884, it should be made up by those sales to which I have alluded. When I received those representations from gentlemen whom I considered qualified to give an impartial testimony on the merits of our land policy, I foresaw a derangement of our finances to some extent, and it will be within the memory of hon. members that in 1884, when speaking on the Land Bill, I hinted at the possibility of the time arriving when it might be absolutely necessary to issue Treasury bills to compensate for deficiencies which might arise upon the inauguration of that Act, and that such was a contingency which we ought to look in the face. But I never thought that this deficiency would be perpetual, and to such an extent as appears now to be more than probable that it will assume in the future. I take my stand upon this: that under Part VI. of the Act of 1884 it was always contemplated that moderate sales of freehold should be allowed. And, sir, if there be any contention on that point, I will refer to the amending Act of 1886—last session—where in the 26th section there is additional evidence of the intention of the Government to sell country lands in forty-acre blocks at the upset price of £1 per acre. That clause is as follows:—

“The Governor in Council may cause country lands to be offered for sale by public auction.

“The areas of any portions of country lands so sold shall not exceed forty acres, and the upset price shall not be less than one pound per acre.

“In all other respects the provisions of Part VI. of the principal Act as amended by this Act shall apply to the sale of country lands by auction.”

Now, sir, I ask what use has been made of this clause? Was it put in for ornament or was it intended to be acted upon?

MR. NORTON: It was for churches.

MR. DICKSON: But we are going to tax churches which have already acquired freehold. I contend that if that clause had been given fair scope to during the past twelve months, when there was a large amount of floating capital seeking for investment, we should have considerably reduced our present deficiency; and certainly during the ensuing year we should be in a position that would relieve us from all necessity of recourse to fresh taxation. I trust my hon. friend the Minister for Lands will excuse me in what I am about to say. I do not speak at all personally or disrespectfully of him; he is a gentleman for whom I have the highest regard and esteem. But as a Minister I must confess that he has an extreme horror of the mere mention of the alienation of land by freehold. When you address yourself to him on that subject—such, at least, has been my experience—the form of his visage is completely changed. I think he regards it as the rankest political heresy for any man to ask him to alienate a piece of land by auction. There is no doubt the hon. gentleman holds a most uncompromising creed on this question, and it is of such a character that I believe if he were not a layman he would excommunicate and consign to eternal perdition any man who endeavoured to obtain a freehold in this country otherwise than through the instrumentality of the homestead clauses of the Act of 1884. I am confident that unless the head of the Lands Department is loyal in endeavouring to render

assistance to the Treasury it is perfectly useless to submit to this House any estimate of land revenue whatever. Unless that hon. gentleman is entirely in accord with the requirements of the Treasurer, and unless full effect is given to the 26th clause of the amending Act of last session—and I say it can be given full effect to—there is not the slightest use of the hon. the Premier coming down to this House and estimating that he will receive £60,000, or any other sum, from that source. It rests entirely with the Lands Department to fulfil that estimate, and I say that in the present condition of the colony that department could very readily make that estimate not only £60,000 but £160,000 without any pressure whatever, or without withdrawing capital from other industries, and so replenish the Treasury. I have no doubt the hon. gentleman will tell us that he does not believe that land would sell at the present time. Well, I must respectfully differ from the hon. gentleman. Nothing can persuade me that moderate sales of freehold property at the present time, or indeed during the past three years, if properly conducted, would not have been, and will still be, as successful as they have been in former years. And, sir, in that connection I come to another point, and it is this: that while I do not blame my hon. friend the Minister for Lands, I do blame the department for the manner in which land sales have been conducted. I say, sir, that the land sales of this colony during the last two years have been so placed before the public as to give evidence of a desire that they should all result in ghastly failure, inasmuch as they have not received that publicity when advertised that any private landowner would have insisted upon providing for his own property if he wished to see it sold to the best advantage. For, sir, while advocating the increased sale of freehold property, under the provisions of the existing Act, I do not wish to see the land thrown away. I do not wish to see it thrown into the hands of speculators; that is to say, without obtaining for the State the best market value at the time. I say the action of the Lands Department has been such as to inspire me, if I had not been a member of the Government and knew the honesty of purpose of my hon. friend the Minister for Lands—I say it would have inspired me with the conviction that everything was done by that department to try and throw discredit upon the alienation of land as freehold in Queensland. I do not ask the Government to retrace their steps or to repeal the Land Act of 1884. I think, sir, that my successor in office may be content if the Lands Department will do what it ought to do, and what it is instructed to do and has full powers to do by statute. If that be done, I say the Treasurer of the colony may be content to wait and see the result of that Land Act.

An **HONOURABLE MEMBER** : No.

MR. DICKSON : Well, that is the view which I at present hold—that it would be unwise for us just now to contemplate repealing the Act. Let us give it the advantage of better seasons, but let us not starve the Treasury in the interval. That is my contention. Referring back to the time last session when the amending Act was passed, and the 26th clause was under discussion, I do not think I shall be betraying any confidence, sir, in saying that it was contemplated to make the area 160 acres instead of 40, but it was whittled down simply to suit the immutable creed of my hon. friend the Minister for Lands. That action certainly showed the desire of every member of the Government to try and compromise matters if possible, and not occasion a burst-up. It showed our desire to accommodate ourselves

to his views, and be content with only 40 acres; and I say still that had the 40-acre clause been carried out, as it ought to have been carried out, and as it can be carried out, there would be now no necessity whatever to consider the question of increased taxation at the present time. I consider therefore, sir, that fresh legislation is not necessary, but I think we have a right to insist upon an amendment of the administration of the Lands Department; and if that were done I hold that it would obviate entirely the necessity of considering fresh taxation. The hon. the Premier, in the course of his Budget Statement, made some remarks, which we all applauded, concerning the desirability of restricting expenditure and exercising economic supervision over it during the ensuing year. Of course, sir, that is a very excellent theory to endeavour to give effect to; but I can assure the hon. gentleman, from my experience in the Treasury and from my experience of other departments outside the Treasury, that he will have all his work to do in endeavouring to control the ever-increasing expenditure of this colony. Why, sir, he has immediately under his own supervision branches of the public service which would absorb not only the whole of the appropriation voted by this House for them, but are quite able and willing to absorb all the appropriation which the House provides for other branches as well. And I may say, sir, that, while he has inculcated some very excellent axioms in his Statement, he has not given us any idea—perhaps he has been too short a time in the Treasury to be able to formulate a scheme—of how he intends to restrict this ever-increasing expenditure. It is right to look the question in the face, and I am largely in favour of this, and if it had not been for the hon. the Premier's absence in England last year I should decidedly have advised it to be done. I think it would be a very desirable thing indeed if a commission were appointed to inquire into the working of the public service.

HONOURABLE MEMBERS : Hear, hear !

MR. DICKSON : Before you can make any just retrenchment you must first have a regular basis of operation on which to work, and I believe that such a commission would lend valuable assistance to any Government that desired to formulate a thoroughly economical policy. In the meantime the only plan the Premier can adopt is to insist that each department shall draw only a twelfth part of the appropriation monthly, and let that not be exceeded. Possibly by that means he might devise a constant check upon the expenditure of the departments, and something like economy in the direction he indicates might be obtained. I come now, sir, to the question of taxation as proposed by the Government. I have already shown to those hon. members who have followed my remarks that in my opinion fresh taxation is absolutely unnecessary, and I have still further to show why increased taxation is undesirable. I do especially consider a land tax upon freehold property as undesirable at the present time. Some people have an idea that a land tax policy is one that ought to be supported, and it has been put to me in this light: "Direct taxation being a plank in the platform of you freetraders you ought to support it;" but I do not consider that taxation, direct or indirect, on such grounds, ought necessarily to be considered at the present time. I should be placing myself in a false position if I, merely for the sake of carrying out my views as a freetrader, and to affirm the theory of freetrade taxation, should give countenance to the imposition of additional taxation at the present time in the shape proposed. I would also point out that in imposing this

taxation we shall require a large amount of new machinery to put the Act practically into operation so that it may come to the assistance of the Treasury.

The PREMIER: We have it already in operation.

Mr DICKSON: The hon. the Premier says we have got the machinery already in operation. We have certainly got statistics as to area and ownership of freeholds, but we have not got the machinery by which the taxation can be absolutely collected. A charge may be entered in the shape of a caveat against freehold property, but there is a very great difference between recording a debt in the Registrar-General's office and receiving it in pounds, shillings, and pence in the Treasury.

The PREMIER: It is paid in other places.

Mr. DICKSON: Yes, but through elaborate machinery. In England the income tax is almost farmed out. I do not think that would find very much favour here. Well, Mr. Fraser, I say that while I regard in the future—possibly ten years hence when we have increased the number of our freeholders and enlarged the basis of contributories—a land tax is a thing which may be necessary and may have to be looked in the face, yet at the present time it is exceedingly undesirable and unnecessary. I say first make our freeholders more numerous before we impose such a tax upon the pioneers of the colony, who have had sufficient to encounter, who have had their homesteads to form, and who are just recovering from very adverse times. I say before the tax is imposed we ought to increase the number who will have to bear it, and that will be accomplished in the way I have already referred to—namely, by putting in operation the 26th clause of the Act of last session. I do not wish it to be understood, therefore, that I object to this tax being brought forward at a future time, when we have enlarged considerably the number of freeholders; but I say that at the present time it is altogether unnecessary, and will be most prejudicial to the introduction of capital and enterprise into the colony, which we are all so desirous by every means in our power to encourage and promote. And after all, Mr. Fraser, notwithstanding the hon. the Premier's remarks about this being a tax on the unimproved value of freeholds, it is a tax upon improvements, for you cannot dissociate the unimproved value of freehold from the value conferred by improvement of adjacent property. All property is increased more or less in value by improvements either on or around it, and it is impossible to get at what we may consider the exact unimproved capital value of freehold property. We therefore virtually put a tax on improvements, because the further you build the further you improve the land which is lying idle—you increase its nominal unimproved value. The land is increased to a certain marketable value on account of being highly improved by the addition of valuable buildings, and I say, therefore, that such a tax as this would be highly detrimental to the best interests of the country and to enterprise of all kinds. It would make mortgagees exceedingly suspicious and chary of lending money at the low rates of interest which we are now glad to see ruling, and in fact it would have a most prejudicial effect on the development of this country, which requires large financial assistance to develop it to its fullest possible extent. And then, again, it subjects the same class of property to a double burden. We all know that the divisional boards and local authorities are very largely taxing and rating the properties within their divisions, and in the not far distant future,

if the proposed restrictions are to be placed upon them—if the endowments are to be reduced, of which, as I have said, I approve—they must necessarily make a much larger tax upon freeholders to provide for the wants of their districts. Then upon this increased local rate we have to superadd a land tax, so that we are imposing upon property a double burden with a very small number of contributories. I think the scheme is such that it cannot for one moment be justified. The more it is looked into the more it is open to objection, and it is opposed, I contend further, to the spirit of our legislation. I think it was last session that we passed a Bill to prevent the undue subdivision of land, but under the proposal of the Government it will be the policy of the owners of land to endeavour to subdivide their land and minimise their holdings, so as to be exempt from taxation. If a piece of land is worth only £500, it is to be exempt from taxation; but if the property happens to be worth £1,000 or £2,000, then the owner is taxed on the amount above £500, and there can be no doubt that that would be the effect of the tax, and that the provision of the resolution will be evaded in the way I have stated. But, Mr. Fraser, I am sure my hon. friend the Minister for Lands, in his heart, does not agree with the Premier in proposing any exemption whatsoever, and I will go with him to this extent, to say that when a land tax is necessary I think no land-owner should be exempt. I cannot see why a man in the suburbs of Brisbane owning five acres worth £100 an acre should be exempt, and another man a few miles out owning fifty acres worth, say, £20 an acre should come under the tax. The suburban resident will be better able to pay it than the other, who may possibly have purchased his land a few years ago, before the great boom in land took place, and who is making his living on his twenty acres. I therefore say if there is to be a land tax there should be no exemption simply because the capital value of a piece of land does not exceed £500. I am distinctly of opinion that there is no necessity for such an impost as this, and, moreover, that the Land Act, or that part of it to which I have referred, is inoperative at the present time. I foresee the growing difficulties of my successor in office, especially if the Lands Department continues to pursue this calm tenor of its way, and I can clearly see increasing financial difficulties that are threatened. It is a delusion to imagine that small owners will continue to be exempt. The large fish will first be caught and served up at the Treasurer's table, but the smaller fish will be a great delicacy—they will be all fish that come to the Treasurer's net—and those who now take no interest in this tax, and think they will escape altogether, were never under a greater delusion. The machinery for collecting the one will require to be no more extensive or expensive than the other, and the Treasurer of the day will find that when once he gets this considerable assistance to his resources he will levy the tax not only on the small holders, but the tax itself will be an ever-increasing quantity. It will be 1d. in the £1 now, but possibly it may reach 2d. by-and-by, when once the machinery is established, as it will be by far the easiest method of getting assistance by the Treasurer from time to time. And now, Mr. Fraser, I will take some cases in point, and will refer first to town, then suburban, and then country land. Now, I will refer to a property, the particulars of which I obtained recently. It is a property in Queen street which has a frontage of forty-five feet. There are two tenements on it at the present time, and the rental received from those two tenements is £670. The municipal rates upon those

properties, exclusive of water rates, amount to £88. Now take the capital value of that land, which at the present time has been assessed by competent experts in the land market, and who have concurred in assessing its unimproved value as £600 per foot. That makes a capital sum of £27,000, and 1d. in the £1 upon that £27,000 would be an additional tax of £112 10s. in addition to the £88 paid for municipal rates.

The PREMIER: They should put up proper buildings.

Mr. DICKSON: The Premier says "They should put up proper buildings"; but it so happens that this is trust property, and the buildings cannot be put up at the present time. It is, therefore, a forcible illustration of how inconvenient this tax will be, besides being oppressive to the freeholder. But I must further point out that it may not be so oppressive to the freeholder as to the tenant. This is what I wish particularly to point out: that this land tax will fall, not as the hon. Premier thinks it will, upon the freeholder, but upon the unfortunate tenant in most cases, who has to pay all rates and taxes, and who will be actually swamped by an imposition of that kind. The case I have mentioned is one in town, and there are plenty of cases in the suburbs of gentlemen who have from ten to fifteen acre paddocks where they reside, which they have made homesteads for themselves, and on which they have continuously expended their accumulations of former years. The unimproved value of land is increased by the increased prosperity of the neighbourhood, and in some cases—at Toowong, for instance—there are several properties at present heavily assessed by the divisional boards, and where the local taxation will be increased by from £50 to £60 per annum under the proposed land tax. I say the whole scheme is monstrous, and I really cannot understand how my hon. friend the Premier, who is a remarkably able man, after following this proposal out to its legitimate issue, could content himself to come down to this House and declare such a policy. I will put another case which will appeal to gentlemen representing country constituencies. There is a large area of land in this country let on clearing and fencing lease at perhaps a merely nominal rental, the lessee undertaking to pay all divisional board taxes. How will this proposal act in the case of a man leasing a few hundred acres of a paddock subject to the conditions of clearing and fencing? He has to improve the unimproved capital value of the land continuously, and he may find himself saddled with a rental of from £50 to £100 a year, a disbursement which may be wholly out of his power to provide. The effect will be in the direction of compelling him to forego all improvements hitherto made upon the land. It may be a covenant in his lease that he shall pay all rates and taxes, and the holder of the property will be within his rights in insisting that the lessee shall fulfil the conditions of such covenant. Again, in the case of property heavily mortgaged—and there are cases of that sort in the colony—who is to pay this tax? The mortgagee is unable, perhaps, to get his interest or half of his interest; is he to pay this tax though he may lose all his money in the investment, or is it again to be a burden upon the unfortunate man who has had to succumb to circumstances, and who cannot pay his interest, and who may be living upon the leniency of his mortgagee? If he has also to pay this tax it will bring him to ruin. I could deal with instances of this kind indefinitely, but I will leave it to able hands to deal with one instance, and I will invite one hon. gentleman who has had great experience in this matter

to say how it will work in the matter of immigration. Only last year we invited immigrants to come out here under the land orders system. Why, we are now inviting them to come out and be taxed! Our great boast in England is that if the people come here they will come to a country where there is no taxation, where they can settle upon the broad lands of the colony without taxation. And here we are inviting these people to come out and tax themselves for our benefit. I am sure the hon. member for South Brisbane, Mr. Jordan, who has had great acquaintance with the subject of immigration in this colony, will be able to enlighten the Committee very much upon the effect of the proposed land tax upon immigration. I wish the character of the tax to be distinctly understood, because there has been a certain haziness in the public mind since the Premier made his Budget Speech on Thursday last, and it is uncertain whether he meant to tax unimproved lands solely or the unimproved value of all freehold property. I have heard considerable sections of intelligent members of the community say—"This is an admirable thing. The Premier insists that unimproved land shall pay taxes. That is the way to encourage improvements." I must say that I read the speech in *Hansard* very carefully on Friday morning to make sure that my own position was right, and there was some doubt on the matter until we came to the little resolution at the close, which contains the sting of the whole speech. That resolution is the extract of the proposal for land taxation, and places it before the country in an unmistakable light. I wish that any misunderstanding should be distinctly removed. I was glad to see in the Press lately a very correct and clear exposition of the tax placed before the country, and I find since that exposition was published a very marked increase in the interest taken in the proposal.

An HONOURABLE MEMBER: In Queen street.

Mr. DICKSON: Not only in Queen street but in the country also, because I can reckon cases in my own constituency where this tax will touch up some and leave others wholly unaffected. In one part of my constituency there is a large farming class of men holding about ten acres each, who may be temporarily untouched by this tax, while two or three people who have the misfortune under the circumstances to own a slightly larger or more valuable area in the same district will be contributories. I point out that this land tax in the country districts will in many instances wholly fail in being of benefit to the Treasury, even if it could be readily collected—about which I have grave doubts—and it will prevent progress in towns and the investment of capital in real estate. It must not be forgotten in the meantime that real estate, in addition even to the very heavy taxation imposed by local authorities, by no means escapes scot-free. A man cannot buy property without paying $\frac{1}{4}$ per cent. to the Stamp Office; he cannot mortgage it without paying $\frac{1}{2}$ per cent. to the Stamp Office; he cannot lease it without paying another small contribution, and he cannot bequeath it at his death without paying from $1\frac{1}{2}$ to 5 per cent. to the revenue according to the value of the holding. So that it is a great mistake to say that real estate is exempt from contributions to the revenue of the State. I say that at the present time real estate—especially as it is saddled with divisional board rates—contributes very fairly to the State, and when such a scheme as that proposed by the Premier is resorted to it should be on a more equitable basis and upon a larger number of contributories than on the persons who at

present possess freehold property in this colony. We are all doubtless anxious to encourage settlement on the land, and I think that is the object my late hon. colleague the Minister for Lands desires, according to his own belief, to promote. My desire is to encourage land-ownership. I believe that the more secure a man's title is to the land, the more interest he takes in it, and the more he is anchored to the country. - I cannot do better than quote a few lines from Hearn's "Plutology":—

"Give a man the secure possession of a bleak rock, and he will turn it into a garden; give him a nine years' lease of a garden and he will convert it into a desert."

We know that in the older States of Europe the peasant proprietors have done wonders. Among all the great vicissitudes that the military nations of Europe have from time to time undergone, they have shown their great powers of recovery in consequence of the solidity they derive from the peasant proprietors. We ought to avoid intimidating in any way settlement of a freehold character merely to carry out the extreme views held by the head of one of the departments in the State. I say that in the matter of the sales of land neither I nor my hon. friend the late Postmaster-General have in any way defected—as it has been termed—from the Government. Our policy has been consistent throughout; it is the Government who have narrowed down the interpretation of the existing law, and have not done what we expected would be done under the powers conferred upon them by Parliament. I therefore, on behalf of the late Postmaster-General as well as on my own account, distinctly say that we have in no way merited the charge of defection from the Government. We rank ourselves as still desiring to insist upon a defined line of land policy, but when we find that the interpretation of existing statutes has been narrowed down by the Government, and that the Treasury is starved thereby, we protest against another means of raising revenue being adopted while the existing source of Treasury recovery is left untouched. It will be evident from what I have said that the differences between me and my late colleagues were hopeless. They could not be smoothed over, and it was only honourable for me, holding the views I did, to leave the Government. I confess that I have at times felt myself to be slightly a clog upon my hon. friend the Premier. I have noticed that the hon. gentleman had a great desire to enter upon the mazy question of protection, and I felt that there was something incongruous in the Treasurer not being in unison with the head of the Government on that point. I know the hon. gentleman accuses me and all freetraders of idealism. Well, I have no hesitation in saying that a man is none the worse for having a high ideal, and, if he cannot wholly attain to it at once he is not to be censured for endeavouring to approach it as near as practicable. I do not think a man is to be sneered at for that amount of idealism. I know that my friend the Premier has not only been desirous of adopting a protectionist policy, but he had also shown a desire to coquette with reciprocity treaties and similar delusions. I must confess that I have seen through the deceitfulness and hollowness of these proposals. Though the hon. member for Warrego may not agree with my remarks under this head, yet I am sure that these proposals were never made to us by Victoria without a desire on her part to obtain the better share of the bargain. It is amusing to see how a gentleman, professing to be a protectionist, can lend himself to advance the interests of protection in another country, in opposition to the true interests of protection in this. To illustrate my meaning: It is frequently stated, especially in agricultural

communities, that it is highly desirable to give protection to agricultural industries. This sentiment has been received wherever expressed with a chorus of applause; but hon. gentlemen who make this statement have not taken the trouble to analyse the existing tariff. It will be found that under the existing tariff, which was framed for revenue purposes only, but in its incidence has a protective character, there is 2d. per lb. duty on butter, bacon, ham, and cheese.

Mr. LUMLEY HILL: Make it 4d.

Mr. DICKSON: On hay, potatoes, and some other products the duty is 10s. per ton; on wheat, barley, and corn, 6d. per bushel. Now, sir, I have no hesitation in saying that in no case have these duties encouraged a larger or a better production of these articles in the colony. The duty on butter, cheese, hams, and bacon has not had the effect of stimulating the production of an article of equal excellence with the imported article. I very much doubt the propriety of making the consumers throughout the colony pay 2d. per lb. additional by increasing the duty to 4d., when it would not have the effect of causing a better article to be produced.

Mr. LUMLEY HILL: Yes, it would.

Mr. DICKSON: I do not believe it. My reason for entering into these details is this: Victoria makes a proposal to us for a reciprocity treaty. She proposes to receive our sugar at a reduced tariff, and she wants her agricultural produce to come in here under a special rate; and gentlemen who call themselves protectionists—protecting the agricultural industry of this colony—do not see that the agricultural industry of this colony would be swamped thereby. So that virtually protection for Victoria is free-trade here, and that is what Victoria wants. That was exemplified in New South Wales when they put on the *ad valorem* duties there. I take the opportunity of disabusing the minds of the agriculturist on the subject of protection. I do not think he wants increased protection in the shape of a larger fiscal import duty, but in increased assistance to bring his produce to market. If he gets special assistance—and that is a matter my hon. friend the Minister for Works can deal with—if the remoter producer gets increased facilities for getting his produce to market, he is to my mind getting the legitimate assistance he can expect, and is not subjecting the general taxpayer to an increased price for possibly an inferior article. I can only say in regard to myself that, while I am not a protectionist, I have always advocated the manufacture within the colony of articles which are required here, provided it can be done at a moderate increase on English cost; and I may say, further, that had I been supported as I should have liked, the ironfounders of this colony would have now been in possession of contracts extending over the next five years. I believe the Minister for Works is now addressing himself to the matter—

The PREMIER: I do not understand what you mean.

Mr. DICKSON: I will try to be a little more explicit. Before the Premier went home, the matter of having locomotives manufactured in this colony was considered and agreed to by the Cabinet. I was most anxious during his absence that this should be proceeded with, but it was not till his return. I say that during his absence we ought to have called for tenders for the work. That is the whole position. I do not think it should be laid to my charge as the sin of a freetrader—the Premier should not take praise to himself as a protectionist or inferentially cause it to be understood that any delay or any dilatory action on the part of the Government was on account of a freetrade

Treasurer. But I also take exception to an ultra-protectionist policy at the present time on these grounds: I think it is our manifest desire on both sides to induce agricultural settlement on our lands—we want an agricultural population. It is unfortunate that in Australia all the large cities are becoming too congested—the population is centralising in the towns; the country is being emptied while the towns are being filled to repletion; and if we go in for an ultra-protectionist policy that evil will be increased. A father will not train up his son to speed the plough, but, as is unfortunately too frequently the case at present, will endeavour to get him into the Government service or into town employment. And there will be an increased desire for employment in town to such an extent that land settlement of the country, which should be the solid basis of all true national policy, will be discouraged. Of course, I know there is a great deal to be said on the question of freetrade *versus* protection, but I do not know that it was necessary to have introduced it into this debate. My hon. friend the Premier stated that it would be nearly two years—I understood him to say that it would be some time, at any rate—before the matter would be thrashed out by the constituencies; but I am not afraid to maintain the position I have always taken up. While I do not intend to ride a hobby to death in the shape of freetrade, and while I have never announced the intention of overturning the existing state of things, which is to a certain extent in the direction of protection, I am not afraid to defend the position I take up in the hope of averting what I consider would be a national policy analogous to that tried by America and found wanting. The third point I desire to touch on is decentralisation; and from the Premier's remarks one would imagine that I was wholly opposed to this; therefore I think it only right that I should set myself straight. The Premier has given notice this evening of certain Bills dealing with decentralisation, which he imagines will be a sufficient panacea for the cry of the North for separation. With two of those Bills I find no fault. They are providing for departments of the public service being established in different parts of the colony; but beyond that I tell my hon. friend that additional provision will be required on the Estimates to carry out the scheme.

THE PREMIER: I do not think so.

MR. DICKSON: The hon. gentleman says he does not think so, and he has told me that repeatedly. Does he want me, as a man of business, to believe that two establishments can be carried on at the same cost as one? While I do not disapprove of the scheme I say we ought to see clearly the means by which to provide the wherewithal for carrying the scheme out in a manner satisfactory to the North. The measure on which I disagree with the Premier deals with matters of financial detail, and as it is not now before hon. members I will not go into it. It is in regard to the financial separation of the colony. I do not know whether it will satisfy the hon. member for Townsville, Mr. Macrossan; certainly not his colleague, Mr. Brown. From what that hon. gentleman stated a short time ago, nothing less than territorial separation will satisfy him; but I say the principles of that measure are so obnoxious to me—and I believe will be found so obnoxious to all business men in the country—

AN HONOURABLE MEMBER: In Queen street.

MR. DICKSON: To all business men who have establishments in Townsville as well as in Queen street, to all who are interested in this colony and its prosperity, I say the details of
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that measure are so obnoxious to me, and to those whom I consider even more competent judges, that while regarding separation as a great disaster I would prefer giving my vote for territorial separation than for the passage of the proposed measure. That is straightforward. I am not going to be a separationist in disguise; I am not going to hold out to the North any promise; but I will say that the measure is a huge blunder, which will have the effect of setting the North against the South, disturbing commercial relations existing between the two parts of the colony, breaking all the bonds by which their interests are now joined, and driving the trade of the North away to the southern colonies, because under that Bill it will be of more advantage to the North to do business with Sydney than with Brisbane.

THE PREMIER: No.

MR. DICKSON: I will enter into the details another time. However, having those profound convictions, I deemed it my duty to retire from the Government upon that point and upon the land tax. The question of protection was never mooted, and it was not over that point that I stumbled. Though I felt a growing divergence between the Premier and myself upon that point I did not desire to be a clog on the Premier's action. I preferred taking my own independent stand, and I feel that in so doing I have taken upon myself a very great responsibility. I have undoubtedly, by retiring from the Cabinet at the present time, caused them possibly some slight embarrassment, especially on the eve of the Financial Statement, which I very much regret. At the same time, I should have been a coward, I consider, and a traitor to my convictions if, feeling as I did strongly upon the land tax and upon the decentralisation proposals, I had not taken the course I did. I have always considered that the position I held in this House was due, not to myself, but to the confidence of those gentlemen who have returned me as their representative. For fourteen years I have had the continual honour of being the representative of one of the most populous, and I may say intelligent, constituencies in the country. In leaving the Government at this time I feel that I have taken upon myself quite as large an amount of responsibility as if I had entered into a new Administration, and I believe that I have a right to tell my constituents the causes that have led to my retirement. The present Government has been, and still is, powerful to direct the future of the colony either vastly to its benefit or vastly to its disadvantage. I feel that the course they have entered upon is such that if persisted in it will be seriously to the disadvantage and detriment of the colony, and I therefore feel it my duty to give to my constituents an account of my stewardship. I do not intend to shirk voting on this question, but after this debate has closed it is my intention to place my resignation in the hands of the Speaker, and to go before my constituents and give an account of myself. If I have done well, they will return me—they will give me a new commission. On the other hand, if they should reject me, it may perhaps be better for me, for them, and for the colony. In any case I shall know that I have honestly discharged my duty, and on re-entering private life I shall feel that my convictions have been thorough and sincere, and that with all respect for my old colleagues I cannot follow them in a course which I should never forgive myself for supporting. I wish hon. gentlemen to understand that I shall not shirk the voting on this question; but after that I shall not be in the House until my constituents send me here again. After they have done that I shall feel that I have an

increased authority for my action with regard to whatever measures may be proposed for the good of the country. I can only say further that it has given me extreme pain to tear myself away from the gentlemen with whom I have been associated, and who have been friendly in all their transactions and dealings towards me. No Government, I may say, has ever carried on the administration of the country with greater integrity and honesty of purpose than the present Government. There are several of those gentlemen who do not receive the meed of praise to which they are entitled. There is the Attorney-General, for instance, who is most industrious and painstaking in whatever official work comes before him, and I can bear testimony to the fact that it is the earnest desire of both the Attorney-General and the other members of the Cabinet to do their utmost to promote the public good, and in no case whatever to do anything by which their own private interests would be benefited. It is but justice to them that I should say this. The Premier, as we all know, is a man of great ability; we all recognise that. At the same time, while he is a man of great ability he may receive advice from a man not perhaps equal to him in sagacity, but superior to him in years and possibly in actual practical experience, and that is that this country will not be governed beneficially by a man who allows himself to pursue theoretical fads. A middle course is the best—in the middle of a road there is safety; and by taking the advice of men who have had experience, and guarding himself against what may be merely popular cries for the time being, he will add greatly to his already great reputation as the first statesman of Queensland. He will also guide the country in a safe direction. I may say, Mr. Fraser, that possibly I am not very well qualified to be a member of an Administration, for this reason: that I am not a hero-worshipper. I admire ability extremely, and in the case of the Premier I regard him as endowed with an intelligence far beyond the average calibre of the human mind. But I am somewhat of an iconoclast; I break my images at times to see whether they are composed of the true metal or whether there is any large amount of alloy in them. In that direction I am perhaps not altogether such a colleague as it is desirable to have in an Administration. I cannot subdue my own sense and judgment to the direction of even a superior mind. I have not, however, endeavoured to be unruly with the present Government, and I fully admit that when we have differed, our difference has been upon what I considered to be strict points of principle, to which they always listened courteously, and in many cases modified or adopted. In the present position which I have had to take up, I at once deny that there is the slightest charge of disloyalty to the true principles of the Liberal party, or the true principles upon which the Government introduced their land policy of 1884. It is only due that I should state of my friend and colleague, the late Postmaster-General, that he has shown even stronger feelings in connection with the proposed policy of the Government than I have done. He verbally stated, before my resignation was in hand, that he could not continue a member of a Government which advocated a land tax; and although his written resignation was not in the hands of the Premier as early as mine, his determination was taken entirely independent of mine and without any consultation with me. I know his views upon this question, since he has retired, very fully, and I feel a satisfaction in knowing that, as a practical and active member of the Government, besides being an able man of business, his views were coincident

with my own. We both considered we were acting in the true interests of the Liberal party; and if we can by our present action mark our disapproval of the Government policy, and draw the attention of the country to the irremediable evils of the course which the Government are pursuing, to the baneful effects of the financial policy now proposed—if we can do this, and induce the Government to fulfil the policy which Parliament has sanctioned in the direction I have indicated, our retirement from the Ministry will have been an incalculable public benefit. We do not feel that it is any sacrifice for us to leave the Government. There are rumours that the Government do not intend to pursue their land-tax policy. I do not know whether that be so or not. If they do, I shall not consider they have sacrificed me because I retired from the Government, and I shall feel glad if my retirement, or defection as they have called it, has induced them to reconsider their position, and to see that their propositions would be at the present time extremely disastrous to the welfare of the colony, as well as extremely distasteful to a very large section of their own supporters, and that by the propagation of such a policy they have tended far more to disturb that unanimity of feeling which existed amongst their supporters—to disturb the support which has always been so loyally rendered to them by their supporters—than by any measure they have proposed during the whole term of their administration up to the present time. I have, Mr. Fraser, purposely avoided going into statistics—in fact it is not to be expected that I should enter into any statistical criticisms; I am *particeps criminis* with the Government in the tables that have been laid before the Committee. The figures are, as the hon. the Premier stated, virtually my own. Therefore, up to the point of my separation from the Government, the responsibility of those figures is equally mine. What I would again desire to impress upon hon. members is this: We have all the powers necessary for increasing our revenue otherwise than by a land tax upon freehold property, and I do trust, sir, that the result of this debate will be—

The MINISTER FOR LANDS: You've said that half-a-dozen times.

Mr. DICKSON: Well, sir, even if I have said it half-a-dozen times I cannot repeat it too persistently, because the hon. gentleman will not open his ears to hear what the country is dinnning into them—that reform in the administration of the public lands is urgently demanded. He seems to have no conception of the necessities of the Treasury. If he had, probably he would have had his eyes opened to the actual requirements of that department. I have had to bear the stigma of having scandalously—wastefully—administered the public finances of the colony.

The Hon. J. M. MACROSSAN: Hear, hear!

Mr. DICKSON: I believe my hon. friend the member for Townsville may think I have done so, but I have the satisfaction of knowing that I have not done so, and I have the satisfaction still further of knowing that by more active administration of the Lands Department, the necessities of the Treasury would—with the recovery of the country from the recent seasons of depression—be relieved, and that for many years to come there will be no necessity to consider any further proposals for increase in taxation.

The MINISTER FOR LANDS said: Mr. Fraser,—I rise to follow the hon. gentleman who has just sat down, not because he has paid me any compliment to-night—therefore I have nothing to reciprocate in that way—but because

almost the whole of his remarks have been directed towards my principles—which are also, to a certain extent, the principles of my colleagues—and to the administration of the Lands Department. Now, if there is one thing surprises me above all things it is the fact that the hon. gentleman has remained with those colleagues as long as he has. It is perfectly astonishing to me. If he had any principle or wished to get credit at all for the consistency he lays claim to, he should have departed from us long, long ago. Over and over again in the course of his speech he contended that land-selling should have been carried on continuously ever since we came into office, when he knows very well that the existence of this Government has been maintained upon the one principle that they will not sell more land than is absolutely necessary for the well-being of the country. However, I will deal with that further on; I must take the different parts of his speech as I pass along. In referring to the Premier he likened him—if he had gone in the direction he desired that he should go—to a ship coming into port, steering clear of breakers and rocks, dodging about here, there, and everywhere, setting his sails to catch every wind that blew. Now, if the Premier had been guilty of anything of that kind in the matter of political principles—if he had set his sails to catch every wind that blew—I would not have been with him. I would have cleared out long ago.

Mr. LUMLEY HILL: A jolly good job too.

The MINISTER FOR LANDS: But I say, sir, that the Premier never did so; he never hesitated, not for a minute, upon any great question that was before the country—from black labour down to the land question. Nothing could place him higher in the estimation of every high-minded man in the colony than the fact that he has been so consistent and determined. The next question the hon. gentleman referred to was that of the endowment to municipalities and divisional boards. He said that it is an unknown quantity—that is, the plan proposed by the Premier by which the House shall vote a certain sum for that purpose. It is certainly a very undesirable thing that the amount to be paid by the country should be dependent entirely upon the amount received by the divisional boards—that whatever amount may be levied by a divisional board the Treasury could be called upon to pay the same or double, without Parliament having the slightest control. I say that is a very undesirable state of things. The Treasurer should know, when his financial year commences, the amount he could set aside for the purpose of endowing these municipalities and boards, and it could be done by this House voting a certain sum for that purpose.

Mr. NORTON: Then why did you amend the Act and continue the endowment?

The MINISTER FOR LANDS: The hon. gentleman then said that he saw no cause to fear the continued prosperity of the country. But the hon. gentleman saw no cause to fear year after year, even during the whole of the drought, but everybody else saw it, and his colleagues warned him over and over again of the dangers that were impending upon him. They knew that the returns from the Customs could not be kept up; that the revenue from our railways could not be maintained even after the drought ceased. It might keep up while the drought continued, but must fall off afterwards. Then the hon. gentleman says he received no assistance from his colleagues in that respect; that he received no assistance from

me because I would not have pressure put upon me to sell more land than I thought, and that the Government generally thought, was consistent with the general prosperity of the country, and would keep pace with the real demand to purchase land, not merely the desire to purchase for purely speculative purposes. I am sorry that in making his explanation this afternoon the hon. gentleman did not take the Committee and the country into his confidence, and tell us what he proposed to do when he was asked how he intended to meet the deficiency. He did not shirk it for a moment; he never questioned the fact that the Government would have to make good that deficiency, but he ought to have told the Committee what it was he proposed to do.

Mr. LUMLEY HILL: He did tell us.

The MINISTER FOR LANDS: He did not tell the hon. gentleman or anybody else. What the hon. gentleman proposed to do to meet the deficiency was to impose a stock tax upon the pastoral holders of the country. He was asked by the Premier to propose a means to meet the deficiency, and that was what he proposed—a stock tax upon the pastoralists of the country. I ask any hon. member, even the most rabid anti-squatting man in the country, to say whether any man with a proper and just sense of what was right and honest could have asked this House or the country to have imposed an additional tax upon the pastoralists of the colony after half of their runs have been taken from them, after their rents have been increased, and when in addition to that it has also been determined to make them pay the cost of the rabbit fence, which was, to a certain extent, considered to be a national undertaking. I am sorry to have to refer to this matter; but I am bound to make a clean breast of it both as far as he and I are concerned, and let the country judge between us. I do not think such a proposition could have come from any man outside Queen street. If he had been a man possessing a knowledge of the conditions under which pastoral holdings have been conducted for the last four or five years, I do not think he could have had any idea of a sense of right and justice to have made it. I think the hon. gentleman acted more in ignorance than from a want of a sense of what is right and fair. His knowledge of Queensland generally is bounded by Taylor's Range and Coorparoo, when he takes his most extended and expansive view. Generally it is confined to Queen street and Enoggera.

Mr. STEVENSON: He has seen more of the country than you have.

The MINISTER FOR LANDS: Then when a land tax was proposed the hon. gentleman said he would consent to that, but it must be upon area and not upon value. There we see the spirit of the Queen-street man come in at once. He is content to tax the man with an acre of freehold on the Barcoo or Thomson at the same rate as a freeholder in Queen street. Let the Queen-street people escape free, and he does not care who else is jumped upon. The hon. gentleman could not expect to receive the slightest consideration from me. I do not ask any from him and he will get none in return. This I say from a political point of view, and I tell him that I am his uncompromising opponent. I shall be prepared to meet him on kindly and amicable terms outside, but politically I will denounce such suggestions and considerations and opinions, and give full and free utterance to my own opinions concerning them. Now, he says that land revenue ought to increase in proportion to population, and what does he propose to do? In the first instance, he says, "Sell the land; keep pace with the

extravagance of the Treasurer, if extravagance there be." Keep pace with it. Sell the land and settle people on it. But I would ask, Mr. Fraser, what settlement has there been upon the land sold under the system which has been proposed, and which he now recommends and advocates? Look at the whole southern portion of Queensland, and see the effect of that policy of parting with the land. The fact of the matter is, that before there can be any settlement in that part of the colony the Government will have to resume the land, buy it up, and throw it open to settlement.

Mr. LUMLEY HILL: Nonsense!

The MINISTER FOR LANDS: That is a positive fact, and let anyone who knows anything of the country say it is not so if he can. Look at the land from here to Warwick. You pass through large freehold properties that were acquired under the very self-same policy the hon. gentleman says ought now to be pursued. Let any man desirous of settling on the land go to the Lands Department and ask for information that will enable him to take up land of good quality and within reasonable reach of railway communication, and in a district where the climatic influences will enable him to carry on his business, and he would be told that such land cannot be acquired without the greatest possible difficulty. Why? Because the land has been alienated in the way the hon. gentleman says now it ought to be, to meet the exigencies of the Treasury. The hon. gentleman made a very bold statement indeed, when he said he was led to believe by his colleagues—I understood him to say by his colleagues, although I am open to correction—that sufficient revenue to cover interest on the ten-million loan would be supplied by the settlement on land under the Act of 1884.

HONOURABLE MEMBERS: Hear, hear!

The MINISTER FOR LANDS: Mr. Fraser, his colleagues never gave him any such information, and the only Minister in this House who said that the revenue from the Act of 1884 would ultimately be a very large one was the Minister for Works, my colleague, Mr. Miles. He pointed out distinctly that in time the revenue from that source would be extremely large, but I never did, either privately or otherwise, commit myself to stating what the amount would be. I could see the real benefits to this country of retaining the lands in the hands of the Government until they were required for settlement, and that that would be the true policy for the acquirement of future prosperity and future wealth. We may have to wait for it, but those who are here are willing to stand the brunt and bear the strain upon them of meeting the deficiency caused by the necessary increase in public works and interest on borrowed money. They will bear the burden caused by pursuing that remarkable policy of allowing the lands to go into the hands of a few proprietors, which is now the great bar to the prosperity of this country—at all events, in the settled portions of it. The hon. gentleman then went on to say, "Let the Act have a trial." What sort of trial does he want? The trial he wants is to sell everything that is available for sale.

Mr. DICKSON: No, no!

The MINISTER FOR LANDS: The hon. gentleman must find buyers, and he must know, as a land buyer and land speculator, that men do not buy land unless it is likely to rapidly increase in value, and that is the very land that is required for settlement. That is the land people must have, and they are not desirous of putting their money into land which is not likely to rapidly increase in value. Even suburban and

town lands are not readily bought unless there is some likelihood of their acquiring increased value. The hon. gentleman went on to quote some figures to show that the revenue from sales of land had fallen off seriously during the last few years. Of course it has done so. That is the policy of the Government—not to sell the land but retain it for settlement. If we sell it we cannot have it for settlement. That is plainly and distinctly a fact just as much as that we are standing here now. What settlement has there been on the Darling Downs? Is there any in East and West Moreton?

HONOURABLE MEMBERS: Yes.

The MINISTER FOR LANDS: Is there a man here who knows anything of those districts who can get up and say that there are any but a very few people in those districts—the owners of large blocks of land,—and they are content to receive 2½ per cent. from that land as grazing farms, knowing that it will increase in value, and that they will then recoup themselves for loss of interest? But what is the fact? Settlement in those districts is impossible, and people are driven away to the outside districts by the large proprietors who have accumulated vast estates.

The Hon. G. THORN: There is settlement.

The MINISTER FOR LANDS: And the hon. member for Fassifern is one of those large proprietors. He knows perfectly well that what I say is a fact, because he owns some of the richest land in the Fassifern district. Now, the revenue from auction sales has been—beginning with 1881—£195,000, and these are the figures for the following years: £113,000, £114,000, £43,000, £91,000. Well, if there is anything I am now ashamed of it is that I allowed myself to be unduly pressed and influenced by the Treasurer, and forced into selling town and suburban lands to the extent of £91,000. I am ashamed of that. I admit it was a weakness but it is a weakness of which I can only once be guilty, and no Treasurer or anyone else will induce me to go to that extent again.

The Hon. J. M. MACROSSAN: You cannot do it again. You have sold all the land.

The MINISTER FOR LANDS: There is plenty of land left. The hon. gentleman went on to say that he foresaw a serious derangement in the finances from the operation of the Land Act.

The Hon. J. M. MACROSSAN: We all say that.

The MINISTER FOR LANDS: But I wish to point out that if he did foresee a serious derangement in the finances he took very little action towards correcting it. I have seen something of the hon. gentleman, and certainly do not want to say anything disagreeable of him. He was certainly always very kindly and amiable in his use and selection of words, but for all that, without putting it in offensive terms, he has charged me, of course, with bringing about all the difficulties that have lately developed. I do not find fault with him for that. I am not going to choose my words, because I cannot. I have not got the vocabulary to enable me to make a choice of words of that kind to express what I mean. I hope, therefore, I shall not hurt the hon. gentleman's feelings when I honestly say this: If he foresaw the derangement in the finances which he speaks of, a more weak-kneed or more invertebrate Treasurer never had charge of the department. No matter what demand was made upon him, however exaggerated, he seems to have knuckled down to and admitted it; and that is certainly not the position he should have taken up if he foresaw the derangement of the finances. The advances made in all directions

have no doubt been very extravagant indeed, and to that fact in a great measure is due the difficulties under which the hon. gentleman laboured before he left the Government. The hon. gentleman says the land sales were not so successful as they ought to have been, and they did not fetch the prices they ought to have done. Probably if they were handed over to a private auctioneer they might have brought better prices. The hon. gentleman did not charge me with that fault, but he charged the department with it; but if anyone is to blame for that it is myself, because the decision as to the publication and advertising of those land sales was taken out of the hands of the clerks of the department by me, and I determined the papers in which the advertisements should appear and the number of the insertions of the advertisements in each paper.

Mr. STEVENSON: Yes; and a nice job you made of it!

The MINISTER FOR LANDS: So that if there is any fault it is wholly mine, and it is due at all events to the department to say that the hon. gentleman was wrong in that respect. I took the action I did in consequence of what I considered the very extravagant expenditure in advertising.

The Hon. G. THORN: You lost £7,000 by it in one day.

The MINISTER FOR LANDS: I have heard plenty of complaints of that kind, but the men who made them I found had not 5s. to invest. It was just a habit they had got into of talking in that big way: They said if they had been there they would have bought this or that piece of land; but when I came to investigate the complaints I found these people had not got 5s. in the world to invest. If anyone wants an auctioneer in the Lands Department let them go there, for I will not act as auctioneer, nor will I keep the newspapers going by advertising in that way; and I believe I have always been able to give sufficient publicity to land sales conducted by the Lands Department. The hon. gentleman says that one reason why a land tax should not be imposed now is that we should have a larger number of landholders than we have now before we begin to tax them. My own experience is that the greater the number of freeholders we have the greater will be the difficulty of imposing a land tax. That has been the case everywhere else. They have tried it in New South Wales and found that out, and I was told they would never get a land tax there. People come down and say, "Get any more money you want from the Customs." We should not require the working man earning 30s. or £2 a week to contribute what he does to the revenue, and allow the big landholders to escape free. It is only owing to the ignorance of the working man that a land tax has not been enforced before.

Mr. KELLETT: The working men are not so ignorant as you think them.

The MINISTER for LANDS: Some of them receiving £2 a week wages, and having large families to support, pay more to the State through the Customs than men receiving £5,000 a year out of Queen-street properties. That is a fact which no man can gainsay, and if it were not for the insidious way in which matters were conducted the working men would have said long ago that they would have no more of it, and that the men who received the benefit from the State expenditure should pay a fair share of the cost of it. The hon. gentleman instanced a case in Queen street of a property having forty-five feet frontage, and for which was received only a certain amount of rent, and which would be assessed at £108 or £110 a year under the proposed tax. But you cannot

take any isolated case as a proof of how it would work generally. There may be cases in which hardships will occur under it, for nothing of this kind can be imposed that will not press unequally in some cases; but this tax will not involve anything like the inequality of the present tariff. The hon. gentleman asks why should people herein Queen street and in Brisbane be taxed to meet this deficiency; but I ask hon. members of the Committee what it is which has made up the value of property in Queen street and the rest of the town? Is it not the expenditure of money upon railways? What is it that adds to the value of freehold wherever railways go throughout the country? It is the construction of the railways that does it; but it does not increase the rate of wages, for there is continuous immigration, because there is no use having railways without population, and no use having a population without railways. The two must cost money, and it is because of this expenditure upon railways and immigration that the value of freehold property has increased at a tremendous rate, and yet the holders do not pay anything like a fair share of the cost of this expenditure. Can anyone say that, since these benefits are derived directly from that expenditure of money, those who benefit in this way should not be required to pay a sufficient sum towards meeting the expenditure in this way incurred? No reasonable man can say that they should be exempt from the charge incurred. The hon. gentleman also endeavoured to excite a fear—which I believe he will not be successful in doing—in the mind of the hon. member for South Brisbane, Mr. Jordan, that the land-order system will be an absolute failure as soon as the people know that a land tax is to be imposed by the Government. We know that the proposal of the Government will only apply to lands that have become freehold, and not even then if they are below the minimum value stated. Can anyone suppose that persons will not avail themselves of the land-order system in coming to Queensland simply because they are liable to be rated at 1d. in the £1, not when they get here, but when they have secured large freehold properties for themselves? I did not believe anybody would urge that for a moment as a reason why this tax should be rejected. Then, of course, the hon. gentleman quoted from some book or other a very old yarn to the effect that if you give a man a rock as a freehold he will make a garden of it, and if you give a man a garden as a leasehold he will make a desert of it. That is a very old yarn, and even under the Irish principle is absurd, where the rents are increased with the improvements, and the improvements are unsecured; but if the improvements are secured to him a man will improve a leasehold. This yarn is not applicable at all to the ordinary small selector here. He is not asked to remain a leaseholder, but has facilities for obtaining a freehold which are very great indeed, and which are made more simple than they ever were before. The larger holder is restricted to leasehold simply because he should not be allowed to debar settlement. The lands are leased at present only for grazing purposes, but they may ultimately become of value for other purposes. To get revenue from them you must lease them, for if you give them as freehold you interpose an effectual barrier to settlement for one or two generations; very often for two. We have seen the effect over two generations in New South Wales. I have. The hon. gentleman also says that agriculturists want easier means of getting their produce to market; but I do not know that the agriculturists could have any easier or cheaper means of getting their produce to market than they have already. Can railways be built at all to carry agricultural

produce at a cheaper rate than it is carried now? I do not think it is carried more cheaply in any part of the world than here. I doubt very much if it is carried more cheaply even in America. Live stock are, but I do not think ordinary agricultural produce is.

Mr. KATES: Yes; half-price.

The MINISTER FOR LANDS: I have not the figures with me, but I am pretty sure it is not so. However, that simply means reducing still further the receipts from railways. Then I suppose the hon. member would make it up by selling land, which is the universal panacea for all difficulties. "Sell the land, and get rid of it at any price whatever."

Mr. KELLETT: Hear, hear!

The MINISTER FOR LANDS: Of course I expected "Hear, hear" from the hon. member for Stanley. He belongs to a class of people who think that the man of capital should acquire everything—no difficulties should be put in his way, and then he can defy the small man. He will only allow the small man to come in as a tenant, or at such a price that it will be a millstone round his neck. That is the system that gentleman advocates. I do not know after all whether the hon. member for Stanley gives his own opinions, or whether he represents the interests of somebody else.

Mr. LUMLEY HILL: Which member for Stanley? There are two of them.

The MINISTER FOR LANDS: Of course, Mr. Kellett. I do not speak of Mr. White; I know he is quite free from any taint of that kind. They all say "We want to get larger settlement on the land." But what does it mean? They ought to be able to support that desire by showing us some means of doing it—pointing out the difficulties that have retarded settlement on the land heretofore, and showing how we are to overcome them in the future. "We want settlement on the land." But how are you going to do it? What is the means of doing it? What is the reason there has not been larger settlement on the land for years back, all the time immigration has been going on? We know that the reason is that all the land available for settlement has passed out of the hands of the State into the hands of those who will not use it for that purpose. As soon as a man becomes a freeholder he wants to be free from all taxation except local taxation. He thinks the money expended in the construction of public works must be provided by the mass of the people apart from him; it is not to be a charge on the land, though it is to the land that most of the benefits from the expenditure find their way. Whether the money is spent on railways, wharves, the improvement of rivers, or anything else, the effect is always to increase the value of the land, either in the town or the country; and why should not the land be asked to pay some share of that cost? Now, in all this southern portion of Queensland, and all along the coast, we see unused and partially uninhabited land, some of it fenced and some of it unfenced; we see the same along the railway lines and in the neighbourhood of the largest centres of population—about Ipswich, Warwick, and Toowoomba. Any stranger would ask, "Why do you not settle people on land like this?" The hon. gentleman has just asked the same question. The answer is obvious; simply because by the adoption of the policy which he now insists should be carried out for the relief of the Treasury, it is impossible to settle people on the land. It is sold, and until the owners choose to cut it up and sell it, there is no possibility of settlement upon it. And he wants to see that very system

continued, aggravated, and perpetuated in those portions of the colony that are yet comparatively free from the mischief that has been done by the persistence in that policy heretofore. Now, the only portion of the country where railways are likely to be carried within a short period of time, and where it is possible to settle people in that way, is on the Burnett and round the Mary River.

Mr. LUMLEY HILL: Go a little further north and try Cairns.

The MINISTER FOR LANDS: There are no Crown lands in the neighbourhood of Cairns.

Mr. LUMLEY HILL: When the railway gets up the range there will be plenty.

The MINISTER FOR LANDS: It will be a good while before it gets up the range, and it will have to go on to Herberton before it will be within reach of the lands that can be used for settlement. All the way up north it is the same thing. A great deal of the land is unfenced and wholly unimproved, and it is not settled upon because it has been alienated. People have selected it, performed their conditions after a fashion, got their deeds, and let the land lie. One man I know has several selections in the neighbourhood of Cairns. I asked him the other day what he was doing with them, and he said—"I am doing nothing with them. Fourteen or fifteen years hence they will come in for my children, and will be worth a lot of money." In the meantime the settlers have to go beyond that, and have to go through that man's land over a difficult road to get their produce to market. Yet we are asked, "Why don't you settle the people on the land?" It is supposed that it is because of maladministration of the Land Office; but the fact is that we have not the land of a character and in a position to enable us to settle successfully. Yet a gentleman who knows all that, who has all the information accessible to him in the reports and records of the Lands Office, proposes to get over the difficulty by selling the land. I shall only occupy the time of the Committee for a few minutes more, but I would like to reply to some few other remarks which fell from the hon. gentleman. He made a statement which I must say, from my recollection of the circumstances when the matter was discussed, was really unfounded—that was that the clause empowering the Government to deal with country lands in areas of forty acres by auction was intended for the purpose of bringing revenue into the Treasury. That I deny entirely. I have not had time to look up what I said on that question when it was before the House, but I can speak from memory with the greatest confidence, and I may say that I explained at the time, that the object and purpose of that clause in the amended Act of 1886 was to enable the Government to deal with small areas of land that were too small for selection, and that could not properly be dealt with under the 92nd section of the Act of 1884. That was the sole object I had, at all events, in introducing that clause, or in consenting to its introduction, and I have acted up to that principle consistently ever since. I maintain the Government had not the slightest intention at the time, whatever the hon. gentleman may have had in view, of alienating the country lands. It was simply and entirely for the object I have already stated—that of enabling the Government to deal with such areas as were too small for settlement, and which could not be dealt with under the 92nd section of the Act of 1884. The hon. gentleman went on to refer to the opinions of the Press on the speech made by the Premier the other night on the subject of protection. I suppose every member of the Committee—

certainly every member of the Government—has convictions on the question of what are termed freetrade and protection. I will admit at once that I am not a freetrader pure and simple, nor yet a protectionist in the sense in which a Victorian legislator would be a protectionist; but I think it would be of great advantage to the country to protect those industries that are capable of development here against the outside world. By refusing to admit to a certain extent the principles of protection, we are placed at a very great disadvantage with such a colony as Victoria, which is quite willing to have all the markets of freetraders open to them, and to have their markets shut to us by a very heavy impost which practically amounts to a prohibition. Now, I believe that if we had a properly revised tariff it would enable us to protect those industries which can be fostered. I think Australia should have such a tariff that we may be freetraders with Australia and protectionists with the rest of the world. There is not the slightest doubt that freetraders who have been brought up in the principles of freetrade hang on to them as a man does to his religion—as a something which he has been brought up to believe in, and which he sees no reason for changing. Now, I think a man ought to have some better reason for clinging to any idea of that kind: We want something more practical than what the hon. gentleman has termed the other side of the question; and the practical outcome of the other side of the question is that we should take care to protect ourselves against all the rest of the world, no matter who objects to what we may do. When others are freetraders and deal with us upon the same terms, we shall be prepared to deal with them; but since they deny us the advantages of freetrade I think we are bound to protect ourselves by saying, “We will not admit the products of your industry unless you concede the same consideration to us.” It is on those grounds I should like to see the fiscal policy of this colony framed, and I have no doubt that before long that will be done. I think it is the duty of the Government to preserve and foster those industries which our climate, our people, and natural conditions give us the opportunity of carrying on. I daresay what I have had to say has been badly said, but I felt bound to say it; and I trust I have not given any offence to my late hon. colleague, Mr. Dickson.

Mr. DICKSON: Hear, hear!

The MINISTER FOR LANDS: I certainly did not intend to do so, but I was bound to put what happened in its proper light. I had rather he had told us how he really stood with the Government. He did not do so, and I have felt it my duty in self-defence to say how matters really did stand, and I contend my version has been substantially correct upon every point. I do not think he can lay it to my charge that I have distorted, or misconstrued, or misstated any portion of it; and I believe the Committee and the country will draw their own conclusions of the difference of opinion.

Mr. LUMLEY HILL said: Mr. Fraser,—I think we have heard, judging from the tone of the debate, the last dying speech and confession almost of the innocent cause of all this trouble in the Government camp; and I only regret that he has not given us something substantial to go upon and controvert, instead of saying practically nothing. He in no way strengthened the position of his own Act, from which we were to expect so much in the Session of 1884; in fact, he could not bring proof to show that it had operated to the advantage of the community. With respect to what he said about the Colonial Treasurer—if he did not like what was

done he should have left long ago—the Treasurer was led to expect improving revenues every year from the land. When the clause providing for the sale of land was inserted in the Act, it was expected that an increase would accrue to the Treasury from that, but the clause was almost inoperative. The Minister for Lands, from the very beginning, shirked his principles in regard to the Act. He admitted the sale of town lands, which was distinctly contrary to the Georgian doctrine, and he has been parting piecemeal with his principles all along; yet he remains in the Cabinet a stumbling-block to the progress and prosperity of the colony. I can see clearly—I am not in the confidence of the Ministry, hardly in the confidence of the party; I did not even get an invitation to the caucus this morning; indeed, others were not invited; discrimination was exercised; my friend, the member for Fassfern, Hon. G. Thorn, was left out till the eleventh hour—I say I can see the causes of dissension in the Cabinet as easily as possible. The conflict was between the Minister for Lands and the Colonial Treasurer. Through the unfortunate illness of the Minister for Works the decision was delayed till a very late hour, even after the meeting of Parliament, and there is no doubt in my mind that when that hon. gentleman came down—knowing, as I do, his obstinacy and his pluck, for which I admire him—he said, “We cannot reverse our policy; we must nail our colours to the mast, and down we go.” In fact, that was the gentleman who scuttled the ship this time. The result will inevitably be an appeal to the constituencies; and the sooner the better. Why does the Minister for Lands taunt the Treasurer with having advocated a stock tax when the Premier in his Budget Speech advocates a stock tax?

The PREMIER: To the extent of £15,000.

Mr. LUMLEY HILL: It does not matter to what extent. One part of the hon. gentleman's Budget Speech to which I took exception was when he said that the pastoral tenants always shrank from bearing any of the burdens, and were always making a poor mouth. I say the knowledge he has of the situation of pastoral tenants never amounted to anything more than he got out of them when they went to law, and as they have been too poor to go to law lately, he has got nothing out of them for some time, and therefore knows nothing about them. As for the rabbits, I can tell the Premier that it is a national question, for if the rabbits are allowed to obtain a mastery of the situation it will not be the squatters alone who will suffer, but also the farmers and townspeople and everyone else. The squatters never shrank from a fair share of the burden borne by the people of the colony; but they have suffered from the Duttonian Land Act more than from the drought and rabbits combined. The Minister for Lands said there was land shut up from settlement along the line between here and Warwick. Of course a good deal of that land has gone to form large estates, but the people who hold it are business men, who would not be content to make 2½ per cent. with sheep if it would pay better to do anything else with the land. People treat their land as a chattel. Estates are being sold every day; and if it would pay better to use the land for agricultural purposes that would be done, and the holders would become large wheat-growers or large maize-growers, or growers of anything else that would pay. But it does not pay. A large increase of agricultural produce without a strong protective tariff means very low wages, to which the people of this colony are not inclined to submit at present. Why should the Minister for Lands say there was no land left out of the 428,000,000 acres

in the colony? Why should he, in a kind of way, cry "Stinking fish" in regard to the main asset of the State, and say that because the odd 8,000,000 acres out of our 428,000,000 acres have been alienated there is no good land? He showed his utter ignorance on the subject when I told him of the splendid land between Cairns and Herberton. He said, "There is no good land available there." But on the Daintree, the Mossman, the Bloomfield, and the Annan Rivers, and further north, there are millions of acres of rich fertile land ready for cultivation as soon as the people go there and clear it. Yet we are told that the good land is all resumed—all the good land is between here and Warwick. I think that if there were a representative for Woogaroo, that is the constituency the Minister for Lands should represent, and if he were to stand for that constituency at the next general election I believe he would be returned unanimously. As for any country electorate, whether occupied by stockowners or by selectors, he has not the ghost of a show there. He may get in for Toowong—if Toowong has the privilege of returning a member—or some such place. I have no hesitation in endorsing what fell from the ex-Treasurer, that there is not the slightest necessity for this iniquitous land tax; and I think that you, at all events, Mr. Chairman, will not believe that in speaking my mind on this subject I am speaking from any selfish paltry point of view. I may have to contribute a little towards it, but in all probability I should not. I take it that the tenants would be the payers. They would contribute my quota to this land tax; at least I should take very good care to know the reason why they did not. In making this exemption on properties of less than £500, the Government think they are going to catch the votes of the unthinking portion of the community. But in that they will find themselves mistaken. The unthinking portion and the uneducated portion will be able, before the election takes place, to recognise the fact that the levying of this tax will depreciate the value of any small holding they themselves may happen to possess, whether it be a sixteen-perch allotment worth £10, or anything else. It not only depreciates it to the amount of the tax per annum capitalised, but it also depreciates it to a further extent owing to the uncertainty of future legislation. In the first instance the tax may only be 1d. in the £1 on properties over £500 in value, but what is to prevent it, should there be any deficit in the Treasury, from being increased to 2d., or 3d., or 4d., or anything else? I have no hesitation in saying that if this tax pass every man's holding will be depreciated from the jump by 10 per cent. in value at the very least. And it is a tax upon the poor man as against the rich. Supposing Mr. Smith has an allotment in town which he has purchased out of his earnings and savings, but has not yet been able to save enough to build upon it. Mr. Brown, who has the next allotment, not only has enough money to buy it but also to build spacious premises upon it, and get a good rent from the start. It is the poor man, Smith, who is heavily burdened, because he has exactly the same to pay as his neighbour who is already getting a good interest on his outlay, and he is seriously impeded in any financial arrangement he may have been able to make in order to build and get some return from his land. No, sir; instead of leading the people astray with fads of this kind—with the fallacious fallacies of Henry George—the hon. gentleman ought to encourage them to settle on the land as freeholders. It is well known that when a man becomes a freeholder he becomes a doubly valuable citizen. He has a stake in the country, and feels a real

interest in its welfare. It is in the power of every man—of every young man, at all events—to become a freeholder before he has been many years in the colony, if he is only thrifty, industrious, sober, and honest, and if the Government will afford him facilities. The Minister for Lands declaims his claptrap about the poor man contributing as much to the revenue through the Customs as the rich man. He knows very well that nothing of the kind is really the case. If he would only employ his declamatory powers in persuading the people to be industrious, thrifty, and sober, and would give them facilities for acquiring land, he would do a great deal more good. The hon. gentleman himself did not come here with a silver spoon in his mouth; he had to acquire his land. None of us who are in this House, I believe, was born with a silver spoon in his mouth. Every one of us at the beginning had to get his own living.

AN HONOURABLE MEMBER: What about George Thorn?

MR. LUMLEY HILL: Well, he is probably the only exception. The Minister for Lands was a hard-working man when he came here without a shilling. I was in the same category. I was not born with a silver spoon in my mouth. When I came here I had to work my way, and to make my freeholds, and I have got them, and intend to stick to them as far as I can.

AN HONOURABLE MEMBER: But you will be taxed for them.

MR. LUMLEY HILL: No; my tenants will have to pay the tax. With a considerable amount of protection—which I hope we shall have shortly—our working classes will be able to earn abundant wages, and will willingly contribute their fair quota towards the maintenance of the legitimate government of the country. I do not believe the people of this country shrink from bearing the portion of the burden which ought to be placed on their backs. They know they must all contribute to the revenue, and they will do it willingly and cheerfully, provided the burden is put in the right direction.

THE PREMIER: Where is that?

MR. LUMLEY HILL: The right direction is in the direction of protection. There is no doubt in my mind on that point. We want protection to labour, and protection to capital also. Capital and labour should go hand in hand in this country, and it is for the Government to adjust the relations between them. We want money as well as men, to develop the grand resources of this colony, and if we want men to earn good wages they must be protected, and if they are protected, capital will come in. I have travelled about a bit in my time, and I trust I travel with my eyes open; and I have noticed the difference between the prosperity of our two neighbouring colonies, Victoria and New South Wales. Only recently I passed through them both. In Melbourne I saw abundant evidence of progress and prosperity, well-dressed people in every rank of life, decent houses everywhere, the people well fed, physically strong, and to all appearance perfectly healthy and happy. And their Treasury was overflowing; there was no additional taxation wanted at all.

MR. McMASTER: Did you see any unemployed?

MR. LUMLEY HILL: I did not see any. When I got to Sydney I saw the people looking—well, I will not describe them as I really think them, because I might be considered to be making invidious comparisons and making too sweeping assertions. At any rate they had a discontented air about them. They did not know what to do. Plenty

of them appeared to be unemployed. I found soup kitchens in full swing, and that the Government of the country were spending about £200,000 a year in finding work for the unemployed, while at the same time there was an alarming deficit in the Treasury. I drew my own conclusions that there was only one cause to account for such a comparison between the two. I would point out with regard to the land tax that it will depreciate property at once; that it will make itself felt right through by the owners of land for the time being. I do not see, in the words of the ex-Colonial Treasurer, why it should be a crime for any man to have acquired a freehold. I consider—

The PREMIER: Who considers it is so?

Mr. LUMLEY HILL: You are going to punish him for having acquired a freehold.

The PREMIER: Is it a punishment to pay for smoking tobacco or drinking tea?

Mr. LUMLEY HILL: That is encouraging other people to grow tobacco and tea in this colony. I hope the day will come when they will not be considered exotics not indigenous to the country. That argument takes a very wide range. I am not aware that either wheat or maize or sugar is indigenous. We do not know what we may be able to grow here. We may be able to grow tobacco and tea to perfection; I believe the soil is suitable for it. One matter fell from the Minister for Lands in which I was glad to be able to agree with him. That was in having cut down the amount for advertisements. It is a very small matter, and certainly not a popular notion to take up. It will not go down very well with the newspapers, and it is rather awkward, I daresay, for members on both sides, especially in view of the coming election, to express an opinion about it. My view with regard to the matter is that as long as the newspapers are carried about at the expense of the State, so long should they be forced to insert all Government advertisements that are required gratuitously; then the Minister for Lands would have ample opportunity of advertising in all of them. As it is, we spend, in addition to carrying newspapers about the country gratuitously, £14,000 a year in advertising. That, I think, is quite enough, and I respect the Minister for Lands for having endeavoured to cut down that amount.

An HONOURABLE MEMBER: You want to buy cheap land.

Mr. LUMLEY HILL: What I want is that the newspapers shall be compelled to publish Government advertisements gratuitously. Referring again to the Act of 1884, I can only say that in my travels I have met men in the Kimberley district—not miners, but working men—and when I asked them, "Well, what brought you here?" they replied "Dutton's Land Act."

HONOURABLE MEMBERS: Oh, oh!

Mr. LUMLEY HILL: I can assure hon. members that it is a positive fact. Those men did not know what to do; they could not get a living elsewhere, so they had to go about the country and find work where they could.

The PREMIER: They were poking fun at you.

Mr. LUMLEY HILL: No; they did not know me. They did not know anything about me. But let the hon. gentleman look nearer home. I can tell him that the other day I saw an account in a report of travelling stock where a mob of 500 working bullocks had left one station as "fats" for the market.

HONOURABLE MEMBERS: Oh, oh!

Mr. LUMLEY HILL: I can give the hon. the Minister for Lands the name of the station.

The MINISTER FOR LANDS: Were they for this market?

Mr. LUMLEY HILL: No; they were for the southern markets. What does that mean, Mr. Fraser? It means that forty or fifty teams of bullocks have been thrown out of employment, each of which would employ five or six men.

The PREMIER: Have railways nothing to do with that?

Mr. LUMLEY HILL: Nothing at all. It was merely the result of the complete stoppage of station improvements, not only on that station, but on other stations in the neighbourhood. I never heard of such a thing before in all my five-and-twenty years' experience in this colony. And it was not only working men that I met at Kimberley; I met a business man, who had been a publican in Queensland, and said, "What made you come here?"

An HONOURABLE MEMBER: He said "Dutton's Land Act."

Mr. LUMLEY HILL: Yes; "Dutton's Land Act." He did indeed. He said he had enjoyed a good business in one of the back townships—Adavale, I think—but he said, "The Act burst up the whole thing." The township had gone to ruin, and it was all through the stoppage of improvements. That has been the effect of it, through the uncertainty of tenure. I do not say for a moment that if I were returned to the next or any succeeding Parliament I would be prepared to repeal the Act. I do not say that; but I certainly would enlarge the provisions with regard to the sale of land. I think myself that the ex-Colonial Treasurer was prudent when he said that he would hesitate about repealing the Act, because it is so dangerous to tamper with securities that have lasted for a long time without you are perfectly sure that you will be able to build up far better ones. It is better to deal with the evils we have than to invite those that we know nothing of.

The PREMIER: Hear, hear! A happy application!

Mr. LUMLEY HILL: I never have been one of those who are in the habit of throwing out dirty water before I can see my way to get clean.

The PREMIER: I'm not so sure about that.

Mr. LUMLEY HILL: It is easy to get such an overwhelming representation of town voters that the squatters can be virtually crushed out—wiped out in one act—as they are in New South Wales. The position of the squatters there is this: They actually want to get out of their runs, to give them up altogether, because their rents are fixed at such a high rate, but the Government say: "Oh, no; you've got a twenty-one years' lease; you must pay the rent whether you like it or not." Fortunately that business has not been tried on here yet, and I hope it never will. It will become absolutely dangerous for anyone to hold a leasehold under such circumstances; if his rent can be raised to any extent, and he is told that he must stick to his holding whether he likes it or not, the only course for him will be to file his schedule. The Egyptian burden would be nothing to it. Of course there will be an exodus from New South Wales, and we should take advantage of that exodus and offer really true liberal terms to induce them to come here. And let the townspeople show that they are not afraid to take their share of the burden of taxation, that they do not want to oppress the pastoral tenant in the

interior, because his numbers and his votes are few. I am very sorry, even looking at it not from the one-sided partisan view of the squatter—I recognise neither class nor creed, nor anything else of that kind when I come into this House—I say I am sorry that the hon. the Premier has always had such a bias in his mind against the squatter. I believe he would have contributed more to the welfare of this colony, and the community as a whole, if he had in the first instance given his great and undoubted ability and allied himself with them. He, at all events, if he looked back through his memory, would remember many instances of statesmen—members in this House—just as good as ever came from his breed of lawyers—every bit as good. There were as good men came out of the ranks of the squatters to represent the people of the colony on the floor of this House as ever came out of the profession which the Premier adorns. I will pass on now to the sentiment I felt within my breast when I heard the Premier unveiling the Budget Speech on Thursday evening. I thought almost, “Upon my word, of all the things I ever heard in all my life this is the most ludicrous.” He must have been laughing in his sleeve, going from protection on the one hand to the land tax on the other, and smiling gracefully all the time. He must have been doing that or throwing over his supporters—trying to find out in what way the wind was blowing. “These are my politics, gentlemen; if they do not suit you I will alter them.” I am anxious to see in what way the wind is blowing. However, it is perfectly obvious to me that he was as pleased when making that statement as a boy whose holidays were approaching. The hon. gentleman with all his untiring energy and unflagging work has kept together for four years a team, of which as a whole I cannot speak in a pleasing manner, except in one regard, and that is, that they are thoroughly honest, every individual of them, from one end of the bench to the other. When they leave that Treasury bench they will go with clean hands and unstained consciences before the people of the colony, and everyone will appreciate them. I believe everyone believes in their honesty—believes that they have never been making use of their political position to feather their own nests; that they have done the best they could in the interests of the whole colony, and not in their own individual interest, or that of any particular special class of their friends. That I can give them all credit and all praise for. I consider myself that honesty is the best policy in this country, and I supported the Ministry from the first, because I knew they were honest. Here, however, the opportunity has come; here is a split in the camp. The Ministry went into power advocating triennial parliaments. They have sat and have held office for four years worthily, but not wisely, through the defect of one weak spot in their policy, and that is the policy of the Minister for Lands. I saw directly the Budget Speech was published that a dissolution was imminent. I wired last week to my constituents to say that after the Budget Speech I ventured to predict a dissolution within one month. I gave it a wide margin; I like to be careful in that respect. Of course the Ministry may be held together for a few weeks or a month or two perhaps; but I do not think they are servile enough to be held together by the protestations of the two-guinea-a-day gentlemen at their back, who do not see much prospect of coming back to this House. That is one of the dangers I saw when that question was before the country. However, when they go to the country now a great many of their electors will have an opportunity

of seeing whether they are worth two guineas a day or not, and I trust they will take the matter into their careful consideration, and return men who are really of sterling worth, and worth more than a paltry two guineas a day. I hope that the electors will take that matter into their most earnest consideration, and see, at all events, that they get their two guineas' worth.

The PREMIER: Wait till the time comes.

Mr. LUMLEY HILL: I will wait till the time comes. Resignations seem to be the order of the day both in the Ministry and on the floor of the House. I would be perfectly ready to-morrow to send in my resignation to the Speaker for the constituency which I represent, knowing perfectly well that no useful legislation can be done this session. I would be perfectly willing to do it; I am even anxious to do so. But a Redistribution Bill will go through the House, and owing to the size of my constituency it would be impossible for my electors to get another representative in time, otherwise I should resign at once. I have spoken freely, frankly, and fearlessly, because I tell you, Mr. Chairman, that it is not my intention to woo the voices of any electors at the election which I look upon as inevitable. It is not my intention—I have not the slightest intention—to go to the Cook or any other electorate. I am going, sir, to compare small things with great; I am going to imitate the example of Cincinnatus, who retired among his turnips when he was not wanted. I am going to retire among my turnips and muttons now that I am not wanted. I do not know hardly whether I stand upon my head or my heels—what party I would be possibly able to ally myself with. I do not know what is going to happen. I will be like Cincinnatus of old: I will be ready, if I see my country about to be defrauded or any great imposition going on, to come forward again at a future period to defend the position I have held here, and which has never been one I have sought. I am not an office-seeker. The life of a politician is of itself distasteful to me. I have wasted many hours in this House listening to dreary and doleful debates. I would prefer to enjoy my own liberty, and at present even, Mr. Chairman, I am debarred almost from coming forward. I am speaking now with difficulty. A contested election, I believe, would kill me. I have not the slightest intention of doing anything. I am not a politician. I have not learned yet that speech was given to me to disguise my thoughts. I speak freely—too freely—and feel strongly, and express my thoughts strongly, and I often have said things that perhaps I ought not to have said. But I have been impelled from a sense of duty to take a position which has always been distasteful to me—that of a representative in this Chamber. I have done so from a sense of duty, and for the protection of the public purse generally. I have made many enemies outside the House. Before I came into it I could have counted my enemies almost on the fingers of one hand—a few malefactors possibly. Since then I have had abundance of enemies. I have raised up a real good crop of them—the seed of my own sowing. Well, I do not mind that. I am consoled with the idea that I have done my duty—that I have exposed frauds that have been perpetrated, and frauds that were going to be perpetrated. I have been called the scavenger of the House by my colleague. I am sorry I have to say that I consider the presence of a scavenger in this House is most essential; and I hope that, in the coming election, someone, at all events, will be returned who will do more effectually what I have done towards exposing the way in which the people of this colony have been robbed.

Mr. MOREHEAD said: Mr. Fraser,—After the swan-like dying speech of the hon. member for Cook I think we had better come down to the subject-matter of the Financial Statement. Owing to indisposition, I shall be unable to speak at any length, but I feel it my duty to say something to-night. I think anyone who listened to the admirable speech of the ex-Colonial Treasurer, the hon. member for Enoggera, and then listened to the reply of the Minister for Lands, must have felt both sorrow and regret that the Minister for Lands was not now the simple member for Leichhardt, and the hon. member for Enoggera was Treasurer; and I think that the statement made by the hon. member for Enoggera ought to have received a fuller and better answer than it did, because most unquestionably the point of severance arose from differences in the Cabinet between the Minister for Lands and the Colonial Treasurer.

The PREMIER: No.

Mr. MOREHEAD: If not altogether, then partly so. That being the case, I think the Minister for Lands should have exhibited his side of the case as fully as the case was stated by the hon. member for Enoggera. Now, sir, it is notorious—it is evidenced by the figures which I hold in my hand—that the Land Act for revenue-producing purposes has been a failure. Hon. members must have studied these figures and seen that the land revenue from almost every source has gone down year by year since 1882. In that year it was £704,000, and this year it is £553,679. That falling-off is not alone attributable to the administration of the land laws, but under that head, for the period I have named, the deficiency is £65,000. But there is a very large falling-off in regard to conditional selection. That, of course, was anticipated and natural, but the only increase of any importance is £20,000 in the rents received from leaseholds. The hon. gentlemen opposite have over and over again stated that the Ministry never expected any immediate increase or return under the Act—that there would not be any immediate increase of revenue. Now, I shall have to make some quotations from what fell, not from the Minister for Lands, but from the Minister for Works and the Premier, with regard to what that Land Act would do. The Minister for Works said:—

“I am very sanguine that if this Bill becomes law we shall in the beginning get at least four times the amount of rental we are getting now, and it would be hard to tell what the amount is likely to be in five years' time.”

He was right there. I think it will be very hard to tell what we shall get if the revenue continues to diminish at the rate it has done in the past. I will now deal with what the Premier said. The Premier said, in reply to a remark made by Sir Thomas Mcllwraith—

“The hon. gentleman also said that this Bill would bring about financial embarrassment. How is it going to do so? Surely it is a singular way of bringing about financial embarrassment to provide a constantly increasing revenue from the Crown lands of the colony.”

The PREMIER: Hear, hear!

Mr. MOREHEAD: That has not been borne out. Then he goes on to say that hon. gentlemen would tell him that we shall—

“bring about financial embarrassment. We are bound to do this; we cannot always rely upon the purchase money of our land as revenue.”

That is a quotation. Then he goes on—

“Embarrassment will not be caused temporarily even. All the rents will not fall off at once. They will take ten years before they cease, and I shall be disappointed in the operation of this Bill if the rents do not increase in every year of those ten years very much faster than the amount of the rents of the selections fall off.”

Has that been borne out?—

“The first year we shall not receive a large amount of rent, but we shall not have any appreciable diminution of income from conditional selections. The next year we shall get a larger diminution from conditional purchasers, but we shall get a larger rent from our Crown lands, and it will go on increasing.”

Now, the falling-off in round numbers in rents has been £30,000 during the period I have mentioned. The hon. gentleman later on, on the 27th August, speaking with regard to the grazing farms, and what he anticipated from the Act, said:—

“My hon. friend has estimated that 10,000 square miles will be taken up in the first year for grazing farms, which would bring in £40,000 at the minimum of 1½d. per acre. I do not think he is very far out in that. We estimate, therefore, that as the result of the first year's operations of the Bill we shall get a revenue of £150,000.”

There is a specific estimate made by the Premier. Has that been borne out?

The PREMIER: No.

Mr. MOREHEAD: Has anything like it been borne out? Is there any probability of its being borne out?

The PREMIER: Yes; every probability.

Mr. MOREHEAD: If there is, then I think it was the duty of the Minister for Lands when he was giving his explanation to have told this Committee in what way that was being borne out, and if that is so then the ex-Colonial Treasurer has made out a stronger case than ever against increasing taxation. If these returns are to come in from the land then there is not the slightest necessity for putting any extra taxation on at the present time at all. I believe figures cannot be got past, and we have the admission of the Premier that the estimate has not been realised. Now, there is another matter with regard to the way, to use the Premier's own words, “in which ends may be made to meet,” and that is one which from feelings of delicacy, no doubt, was not touched upon by the hon. member for Enoggera—I refer to the question of retrenchment. Now, let anyone look at Table T. That is the one connected with the Works Department. Look at the returns of revenue and expenditure of all railways, and if hon. members take the table and analyse the figures they will find the state of affairs with regard to the Railway Department highly discreditable. I have analysed the figures, with the following result:—Taking the years 1883-4 and 1886-7, and first and last. The receipts in 1883-4 were £510 3s. 6d. per mile open; in 1886-7, £402 4s. 4d. In 1883-4 the expenses were £279 13s. 6d., and 1886-7 they were £322 5s. 9d. And the revenue for 1883-4 for each mile open was £230 19s. 3d., while in 1886-7 it was £79 17s. 6d. But if the same system of management had existed in 1886-7 as existed in 1883-4 the revenue would have been £378,661, instead of £129,496, or a difference of £249,165. If these figures are correct, and I believe they are, it shows most disgraceful mismanagement in the Railway Department, and this is also pretty well borne out by what the hon. gentleman himself stated. He said he had not been long in the Treasury before he found out there was something wrong in the Railway Department, and, as I understood him, he interviewed Mr. Curnow and asked him if he could not do with less money. The reply was that he could do with less money, but what they got they spent. That is a state of affairs which should not continue to exist, and I should like to hear from the Minister for Works some explanation as to the extraordinary discrepancies shown to exist if the figures I have quoted are correct, and they are borne out by the foot-note to the table showing the return on capital invested in

1886-7 to be £1 0s. 6d. per cent. Surely we are entitled to some explanation upon that point. With regard to the question of further railway construction, I was, with most members of the Committee, led to believe from the hon. Premier's speech, where he quotes the return from capital in the various railways of the colony, and says, "All these things, though not perhaps generally known, form an important feature in the present condition of affairs," and so forth; I say, sir, I was led to believe the hon. gentleman to mean that unless for some very urgent reason, or unless some very good paying line could be constructed, our railways in the meantime must be hung up, and with them I assumed the now notorious *via recta*. But the hon. gentleman goes to Warwick and apparently alters his views, because he tells those who did him the honour of giving him a banquet that the *via recta* shall be gone on with.

Mr. KATES: So it will.

Mr. MOREHEAD: There is another portion of the hon. gentleman's speech where he warns those looking out for railways that they are not likely to get them very easily. I do not think, if we are going in for further taxation, that it would be a fair or an honest thing to spend a million or a million and a-half in making a second railway to New South Wales *via* Warwick. Hon. members know that the *via recta* will not be the most direct line to New South Wales, as a direct line would get to the border much nearer than Stanthorpe.

Mr. LUMLEY HILL: The straight line goes down by Beaudesert.

Mr. MOREHEAD: I think, having regard to the fact that at present we are in financial straits, the *via recta* may be put on one side for a time. I think when figures such as these get before the English lending public they will think very seriously before lending any more money to Queensland. When it is shown that money borrowed at 4 per cent. and put into the construction of railways returns only £1 0s. 6d. per cent., they are not likely to lend their money for that purpose. I think there might be a tremendous reduction made of nearly a quarter of a million in the working of the Railway Department, if my figures are correct; and if we work on the same lines as in the year 1883-4, and we had the same traffic, the returns would be as I say. The hon. gentleman can look at the figures for himself, and the interest stated as the return from capital will show it as clearly as anything else.

The PREMIER: There is 50 per cent. extra mileage.

Mr. MOREHEAD: I know that. If hon. gentlemen will turn to the celebrated Table L they will notice, if I understand the figures, that the hon. gentleman puts down the total contribution per head in the colony at £8 3s. 10d., but he forgets to add to that the £400,000 deficiency, which will make an additional tax of £1 4s., and a total of £9 7s. 10d.

The PREMIER: You might as well add all we owe.

Mr. MOREHEAD: Certainly not; but this is the debt that has to be paid, and for which the hon. gentleman is now asking additional taxation.

The PREMIER: No.

Mr. MOREHEAD: Practically the reason for fresh taxation is because the deficit exists.

The PREMIER: No; because the present revenue is not sufficient to defray the present expenditure.

Mr. MOREHEAD: The hon. gentleman may twist it as he likes, but it comes to the same thing. There are many other places where money could be saved, and I think the monstrous expenditure upon the Defence Force is one which, if not altogether abolished, should be considerably reduced, and that is an opinion which is not altogether unshared in by some of the supporters of the Premier himself. While I am on the subject of defence I may also say that we have looming in the not very distant future a large additional expenditure in connection with that force in the contribution that will have to be paid to the Imperial fleet.

The PREMIER: About £12,000 a year.

Mr. MOREHEAD: The hon. gentleman speaks about £12,000 a year as if it were nothing, but it is a very considerable item when we are in such straits financially as we are now. There is also a sum of £18,000 proposed to be extracted from the squatters for the rabbit fence, and I say that is a most iniquitous charge to make. There are two sums mentioned. It is mentioned in one case as £15,000, and in another the sum proposed to be raised is £18,000:—

"It is proposed to increase the assessment so that it will be sufficient to pay 5 per cent. interest towards a sinking fund, and the expenses of keeping up the rabbit fences. That is a matter of comparatively small importance—a matter of raising £15,000 a year."

That is mentioned as another small matter, and this time the unfortunate squatter is to pay it. Not content with giving the pastoral industry such a blow that they are only now staggering to their feet under the Land Act, the hon. gentleman gives them another rap over the head in imposing upon them the construction of this rabbit fence. It is, after all, a matter of national importance, and as much concerns every inhabitant of Brisbane as the squatters of Queensland. Not content even with doing that to the pastoral tenant, they go further, and propose to destroy the Marsupial Act—an Act which has done more good to the pastoral interest than any other Act passed by this Legislature. There is not a single member of this Committee—with the exception, perhaps, of the Minister for Lands—who knows anything about the working of that Act, who is not of that opinion. I sincerely trust that the Government will not persevere in their expressed intention with respect to that Act, and that, at all events, if they refuse the endowment, they will not in any case repeal the Act, but let it stand, so that the squatters may tax themselves under it if they like. I noticed in the speech of the Premier, that he continually refers—and properly refers—to this colony being now on the eve of a period of prosperity. If that is so—and I believe it is—why not give the country the chance of recovering itself, without putting on new taxation at the present time? He has made out no case whatever, so far as I can see, for the increased taxation proposed; and he has stated clearly enough that there is a probability of our being prosperous for some years to come. As I have already pointed out, I believe that by judicious retrenchment £300,000 could be saved in the Works and Defence votes, and I say that with these facts in our possession we should be very unwise indeed, and should be acting wrongly towards the taxpayers, if we determined to increase the burden of taxation. As regards the Land Act, I think very little can be added to what has fallen from the hon. member for Enoggera. His arguments were, to my mind, conclusive, and were in no way either combated or upset by what fell from the Minister for Lands. With respect to the proposed land tax, it appears to me that it would be a very serious thing in a young colony like this, where we

have only some 11,000,000 acres of land alienated out of 470,000,000 acres, to put on such an impost. Supposing, for the sake of argument, that the Georgian theory of the Minister for Lands should be generally accepted, and there were to be no more freeholds, would it not be unjust to those who are holders of alienated land to single them out, and make them an isolated class in the community, and impose a special tax upon them? And on the other hand, suppose we were to proceed with a scheme for alienating lands, and allowing freeholds to be acquired, would it not be a great damage to the national estate to put on an impost which must affect its value to a very material extent? I think the tax is a very unfair one, and in that respect it is like all the schemes of the Government as contained in this Budget. Why should men who own property be specially selected to be taxed? I quite agree with the hon. member for Enoggera, that if you go in for a land tax every man who owns land should be taxed. It has been very truly said that it is all nonsense to try and induce the small landowners to believe that they will always be exempt. If we once commence legislation in this direction we do not know where it will end. Once the principle of a land tax is established, it will be the easiest for the Treasurer to run to when he has to find means to fill a depleted Treasury. I think it has been clearly proved by what has fallen more particularly from the hon. member for Enoggera, that the deficiency in this colony can be easily made up without taxation, simply by judicious retrenchment and moderate sales of land. Sales of land have been resorted to by the Minister for Lands in a way that I think he had better have left alone. I think it would have been very much less damage to the colony if the hon. gentleman had gone in for sales of country land than will result from his selling every parcel of land about Brisbane that he could lay his hands on. The sales of land about Brisbane are, in my opinion, a great discredit to the Government. Sales of country land to a similar extent would not have done any harm. I think the Premier himself will admit that the sale of land in Roma street, near the railway station, was a great blunder. Various other matters have been mentioned by the Premier which I am not able to go into to-night, but holding, as I do, the views that I have expressed, I beg now to move, as an amendment, that all the words after the word "That" be omitted, with the view of inserting the following, namely:—

In the opinion of this Committee the financial position of the colony as disclosed in the Premier's statement does not warrant the impost of any fresh taxation on the people of Queensland.

The PREMIER said: Mr. Fraser,—Of course this amendment has been sprung on the Government without any notice, and it is rather inconvenient that I should again take part in the debate at this early period, but I think I am bound to follow the hon. member who leads the Opposition immediately upon his making a motion of this kind. I think, sir, that in support of a motion of this sort he ought to have given at least some facts and figures to show that the conclusions of the Government with respect to the present finances are unwarranted.

Mr. NORTON: He is so ill he can hardly speak at all.

The PREMIER: I am extremely sorry for the hon. gentleman's state of health. I listened to what the hon. gentleman said with great attention, and I think I have seldom heard the hon. member make a better speech in the House; but I think that more facts and figures ought to be adduced before the Committee is

asked to affirm, for no assigned reason, that the diagnosis by the Government of the finances of the country is erroneous, and that a much more comfortable view is the one which should be adopted. It is always a comfortable thing to hold that no taxation is necessary. We have been doing that for several years past, and I think we have been doing wrong.

Mr. KELLETT: Not last year.

The PREMIER: There was a small addition last year. I have never until this year taken any very special interest in the way of examining the finances of the country, because, although I am frequently taunted with desiring to monopolise all work into my own hands there is no one who is more willing to trust to others to do his work for him and I was satisfied that in my late hon. colleague, the member for Enoggera, we had such competent assistance that it was quite unnecessary for me personally to interfere in the finances. But I am sorry to say that my hon. friend's predictions for the past few years have not turned out successfully, and I am bound to say that, with the experience of the past, I do not think we should be justified in accepting them as a safe guide at the present. Now, sir, a motion such as that made by the hon. member for Balonne, the leader of the Opposition, is equivalent to asking the Committee to affirm this: "The Government do not understand the financial position of the country. We, in the Opposition, understand it, and we can conduct the Government on the present basis of taxation." That is a clear and definite issue, Mr. Fraser. If the hon. gentlemen opposite think that they can conduct the affairs of the country on the present lines of revenue, and a majority of this Committee think so too, then, by all means, let them try. I should be very glad to see them try, and succeed; but certainly, having investigated this matter carefully—having arrived at the conclusion that additional taxation is absolutely necessary—I am not prepared to carry on the Government of this country unless Parliament will provide us with the means of carrying it on efficiently and properly. Now, I have no figures to answer; I have no arguments to answer from the hon. gentleman opposite. He says simply two things—first, "You can sell a lot more land." But when the Government have sold land he condemned them for having done so. The particular sale of land from which any considerable revenue was derived during the past twelve months was the sale of land in Brisbane, which he strongly condemns as being a forced sale. I was not here when it took place; I do not know the details of it; but I think I am quite right in believing that it was a sale forced upon my hon. friend, the Minister for Lands, against his better judgment by the hon. gentleman who now so bitterly attacks him. Now, sir, where are we to turn? "Sell land. Do not sell it in Brisbane; do not sell it in Townsville; do not sell it in any other particular place that can be mentioned; but sell land." Where are we to sell it? The hon. member for Enoggera says, "Sell suburban land." I wonder, sir, how many suburban areas there are of forty acres, to bring in a revenue much larger than the amount the Minister for Lands estimates can be raised this year. We know perfectly well that the agricultural land of the coast districts can be sold by auction. But the result would be the same as under the Act of 1876, when they were picked up by by speculators under the guise of selection, and held for speculative purposes. Look at all the magnificent country from a little way north of Bowen right up to Cooktown; nearly all the land

is locked up in the hands of persons who took it up for speculative purposes, and it is the proceeds of that land that made up the large returns in the years 1881-2, 1882-3, 1883-4. That is where the money came from. That land is gone. The quantity of rich scrub land along the Northern coast is limited.

Mr. LUMLEY HILL: There is plenty left.

The PREMIER: The magnificent agricultural Burdekin lands were nearly all taken up in 5,000-acre blocks at 5s. an acre under the Act of 1876, and have been held since, with few exceptions, for purely speculative purposes. And when you go into the rich scrub lands north from there—the scrubs begin about the mouth of the Herbert, right up past Cardwell, all through the Mourilyan district, the Johnstone River, right up to Cairns, and beyond Cairns, north of Port Douglas, nearly up to Cooktown—nearly every acre of land that is at all accessible has been taken up and is held, with very few exceptions, by persons who are not putting it to any profitable use. That is an undoubted fact; but my hon. friend the member for South Brisbane, Mr. Jordan, who, I believe, has never been in those parts of the colony and knows little of the history or character of them, imagines that there is any quantity of land of that kind available through the country.

Mr. LUMLEY HILL: Plenty more.

The PREMIER: There is lots more, but it is not accessible at the present time.

The Hon. J. M. MACROSSAN: As accessible as that was at the time.

The PREMIER: Perhaps so; and what hon. members say is, "Hand it over in the same way and for the same purpose."

The Hon. J. M. MACROSSAN: I do not say so.

The PREMIER: I do not know what the hon. member for Townsville says. I know the hon. member for Townsville, if he adheres to what he has said in the House on many occasions before, must agree with the Government on the present occasion.

The Hon. J. M. MACROSSAN: I will let you know about that.

The PREMIER: I am speaking of what is said by the other side generally, and by their newest assistant—I am sorry to call him so—my hon. friend the member for Enoggera. This is the land that must be sold, if we are to get revenue in that way. I hope, sir, that this Committee will not allow revenue to be raised in any such way, and I do not believe it will. The Committee may be carried away to punish the Government because they do not propose to do it; but I do not believe they will allow any Government to do anything of the kind. Then it is said, "You may turn to the interior." Now, I should like to know where in the pastoral districts you will find any people to buy land at auction—where the land is to be sold by auction? Hon. members should tell us what they mean; it is so easy to say vaguely, "Sell land."

Mr. LUMLEY HILL: Sell the resumed portions of the runs.

The PREMIER: Where are you to sell them? How many pastoral tenants at the present time would give 10s. an acre for the resumed portions of the runs? Is it not a notorious fact that nearly all those who a few years ago bought at mock auction—it can be called nothing else—land at 10s. an acre would now gladly return the land to the Government if they could get back their purchase money?

Mr. LUMLEY HILL: You have damaged their property.

The PREMIER: I am dealing with the proposals to raise money by selling land. I say it is notorious that you cannot get it in the interior. You might get it on the coast, but you would get it only by selling the land I have described. That you might sell, but it would be at the cost of taking it away from the persons who desire it for settlement as homesteads and agricultural farms. It is no use trying to shut our eyes to the fact that we have the choice of one of two alternatives. You may sell the land and fill the Treasury; but if you do, at what cost? I know what I am talking about. I know that country. I have been through a great deal of it. The hon. member for Cook, Mr. Hill, says there is lots of land near Herberton. There is a good deal of land on the top of the range near Herberton, but there is very little below the range that has not been taken up.

Mr. LUMLEY HILL: Oh!

The PREMIER: There is very little below the range, that is at all accessible, that has not been taken up; and that which is not accessible will not sell by auction. What is the use of the hon. member telling us we can sell that land? There is a lot of land on the Cape Grafton peninsula that is not taken up; but it is at present quite inaccessible. Of course, good land near Port Douglas would sell by auction, but that is the land you want for settlement under the Act of 1884. You cannot both let it be leased as agricultural farms under the Act of 1884 and also be sold by auction; you cannot do both. As to the land on the top of the range, there is a good deal of excellent land there; it is the one place in the whole colony that we may look to for agricultural settlement such as we see in the Rosewood district. Perhaps I should not say the one place in the whole colony, but it is the one place at the present time which invites settlement of that kind. We have seen schemes put forward for village settlement at various times, which have my warmest sympathy. If they are to be carried into effect we must have land for them, and that land must be accessible and suitable, and that is the only land out of which you can get large sums of money by sales by auction. I say it would be a wicked shame to adopt any such plan. There is another place I may mention before leaving the subject, and that is the Burnett district—that is, the lands that have been resumed from the runs. There, also, is a lot of agricultural land which can be made available for sales by auction, but there again it would be a wicked shame—and I, for one, would never be a party to it, in office or out of office—to dispose of that land in that way. I will say no more about the sale of land by auction as a general principle. The hon. member for Balonne used only one other argument on this subject; that is, "You can retrench." I went into that subject last Thursday evening and pointed out that we could not see an opportunity of retrenchment in any department. I am not prepared to say, with respect to one or two departments in which I have not made personal inquiry, that there may not be room for retrenchment; possibly there may be, but I am not prepared to say what I do not know. If there is any department in which retrenchment can be exercised it must be either the Post Office or the Treasury. I do not believe the Post Office can stand retrenchment. I know nothing personally about the internal arrangements of the Post Office, but I know that it has been administered with very great scrutiny of the expenditure, and I believe with considerable economy. The expenses for the carriage of mails are very great, and the

demands are increasing every day. There are continual applications for mails in distant parts of the colony which involve a considerable expenditure. As an instance I may mention a demand for a mail between Herberton and Georgetown, which will be a very expensive service. Then a mail from Hughenden to Croydon is wanted and that will also be an expensive line. But demands like those made now, or later on, are only illustrations of the continually increasing demands for mail services. We cannot say that there shall be no more money spent on the Post Office. The increasing requirements of the country demand additional expenditure, and I believe that if any retrenchment in the Post Office can be made—I do not say that it can—it will be to a very trivial extent, and not sufficient to make any material change in the financial condition of the country. As to the Treasury, I have every reason to believe that it has been managed with economy. I am assured by the hon. member for Enoggera that there is no room for retrenchment, and I am content to take his assurance. Then I turn to the instance given by the hon. member for Balonne, who mentioned the Works Department. He says there is no reason why the expenditure should not be cut down to what it was three or four years ago; but that is simply absurd. The length of railway in 1883-4 was 1,141 miles, and the expenditure £392,000. Last year the mileage had increased to 1,621 miles, and the expenditure to £522,000. The increase is rather more than the extent of the mileage, but it must be remembered that during that time a great number of new lines have been opened. If the increased mileage had been on the same lines the expenditure would not have increased in so great a ratio; but as the increase has been to a large extent with respect to new lines, new staffs have had to be established, and I do not think the item can be considerably reduced, though in the present financial year it is hoped that the expenditure will be kept down to £542,000. That is more than was spent last year, but let this be borne in mind—these are some figures I forgot to give the other day—that during the year there has been an increase of 207 miles of railway, and I think the increase for 207 miles, which is not more than £20,000, will, at any rate, show a considerable saving this year as compared with last year. As hon. members know, I have been placed in a position of the greatest difficulty—called upon at a moment's notice to take charge of the Treasury and explain the financial position of the country. I cannot pretend to know more than I do know, and I have had no opportunity of going further into the matter, but so far as the Government can ascertain, the position of affairs is as I have pointed out. There will certainly be on our present sources of income a deficiency of £60,000 on the year's transactions. That is the opinion also of the hon. member for Enoggera, Mr. Dickson; but he has indicated that the difference of £60,000 ought to be made up by increasing the amount expected from sales of land by auction from £60,000, which the Minister for Lands thinks may be received, to, I suppose, £160,000, because in order to put things straight this year we want to increase the revenue by at least £100,000. Therefore the prescription of the hon. member for Enoggera amounts to this: that we ought to raise £160,000 this year by sales of land by auction.

Mr. DICKSON: I accept that.

The PREMIER: If the hon. gentleman is of opinion, as he said just now, that the land revenue ought to increase in proportion to the population—I suppose he means the amount derived from sales of land by auction ought to increase, other-

wise there is no point in the argument—then I really think my hon. friend, as the Minister for Lands said, ought to have gone out before. I never heard such a proposal put forward before. Why should it increase in proportion to the population? And how long should it increase in that way?

Mr. DICKSON: Till the Land Act has taken root.

The PREMIER: The hon. gentleman thinks you can sell land as fast as you like. It is of no consequence so long as you keep the Treasury full now—let your successor look after himself! I think, Mr. Fraser, the duty of the Government is a great deal higher than that. We have a higher duty than simply to squander the public patrimony so as to relieve ourselves from trouble, and leave a heritage of trouble to those who follow us.

Mr. LUMLEY HILL: Claptrap!

The PREMIER: It is not claptrap, but I heard the hon. member for Cook, Mr. Lumley Hill, deliver himself of some very interesting claptrap this evening. It is not claptrap. We have all round us warnings of what has happened from following the same course. I know very well that arguments on this subject at the present time will not have much weight in this Committee. It would be very much pleasanter to affirm that no taxation is necessary than to undertake the difficult and distasteful duty of proposing fresh taxation; but whether we propose fresh taxation or somebody else does, it will be done. That is absolutely certain.

An HONOURABLE MEMBER: No.

The PREMIER: Or if it is not done—if further taxation is not imposed this year and we do not make a sincere and honest effort to make both ends meet, next year we shall find ourselves a great deal worse off than now, and then the remedy will have to be a severer one than is now proposed. There are hon. members who talk about making both ends meet—hon. members who know nothing about it. What do hon. members on that side know about it? I say, what do they know of the possibilities of retrenchment? They know absolutely nothing. The only member on this side who has spoken on the subject, the hon. member for Enoggera, Mr. Dickson, is of opinion that the expenditure estimated is absolutely necessary.

Mr. NORTON: All these arguments have been given before.

The PREMIER: In what way? Of course, Mr. Fraser, there are other remedies. We might cut down the salaries of the Civil servants—dock them 10 per cent., and limit an income tax to them. That is one system. We might dismiss a number of Civil servants, but the work has to be done; and at present the Civil Service of this colony has fewer people in it than the Civil Service of any other colony with the same amount of work to be done.

The Hon. J. M. MACROSSAN: You have a lot to learn yet in the Treasury.

The PREMIER: Of course I have.

The Hon. J. M. MACROSSAN: Then don't make rash assertions.

The PREMIER: I qualify what I said by saying, so far as the departments are concerned with which I have had to do. In the Lands Department there has been a little retrenchment possible by the retirement of officers who were appointed to do special work last year. In the Treasury, I take the assertion of my hon. friend the member for Enoggera that there is no room for retrenchment. In the Works Department I am satisfied that any retrenchment that might

be practised will be at the cost of efficiency; and in the Railway Department it would not only be dangerous to the lives of the people travelling by railway, but might be extremely burdensome on the Treasury, because one railway accident would swallow up twice the amount of money that might be saved by retrenchment. The hon. member for Balonne wants the Committee and the country to believe all the late Treasurer has told them as to sale of land, and to disbelieve all he as well as I may tell them, and all the information I can give them with respect to the necessary expenditure.

Mr. STEVENSON: He said nothing of the sort.

The PREMIER: He said all that, and he maintained that something like £100,000 a year more could be raised by the sale of land by auction. That was the only base of his argument. If there are hon. members on this side who believe that £160,000 ought to be raised annually by the sale of land by auction, let them vote for it by all means. I invite them to do so, and let them answer to the House and the country afterwards for what they do. But let it be distinctly understood that I will not be a party to anything of the kind. Let hon. members who think that it is the proper way do so, and take the responsibility for it. Someone must take the responsibility of carrying on the Government, and someone must take the responsibility of raising £100,000 more, for at least that amount we must have. The hon. member for Enoggera stated that he understood all along that any deficit in the land revenue should be made up by sales of land. I do not dispute that he may have understood that, but he never communicated his understanding to anybody else in the Government. I never heard of it before. That is all I have to say upon that point. The hon. member opposite has not referred to the question of a land tax, and it would not be right, therefore, at this stage to intervene with any further arguments on that subject. I have only said what I felt necessarily called upon to say on a motion in the form moved by the leader of the Opposition. Before sitting down I have a word to say with regard to something that fell from the hon. member for Enoggera, my late colleague, Mr. Dickson. If I understood him aright, he considers that his present mission in the House is to dethrone the Government. I understood him distinctly to affirm that his special function in the House was to bring the Government up in what he considers to be the wrong course they are pursuing. The only meaning of that is that he intends to drive us out of office. If he can do so he is quite at liberty to try, only let us understand one another.

Mr. DICKSON: I must request the Premier not to misrepresent me. I specially guarded myself against permitting the Committee and the country from inferring that I even wanted to cause any embarrassment to the present Government. I pointed out whither the hon. gentleman is leading us, and expressed a hope that he would receive new sailing directions from Parliament while yet there was time.

The PREMIER: That amounts to exactly the same thing. The hon. member knows perfectly well that it means to defeat the Government. I do not object in the least to his defeating the Government. Do not let hon. members think that I care about that. Personally, it would give me, to a certain extent, satisfaction, although, as the leader of a party, it is, I believe, my duty to prevent it if possible. It is true the hon. member said at the beginning of his speech that he did not want to embarrass the Government, but he wound up by saying that he was going to stop us in the course we

were now pursuing. If that does not mean turning us out of office, language has no meaning. I do not object to be turned out of office by any member, or combination of members; but I do hope that hon. members, before they affirm the proposition now before them—to the effect that no additional means of raising revenue are necessary—will see that they understand the subject. Let them satisfy themselves by something more than mere assertion that additional means of taxation are not required. For the last few years, whenever the Treasurer brought down his estimates of receipts and expenditure, hon. members on the other side have always told us that our estimate of receipts was too large and that our expenditure was too small.

Mr. STEVENSON: Who said so?

The PREMIER: Hon. members opposite.

Mr. STEVENSON: Certainly not.

The PREMIER: When I say that our expenditure was too small, I mean that our estimate of expenditure was less than it ought to be. We were always told that the Treasurer was too sanguine, and that the end of the year would bring about worse results.

The Hon. J. M. MACROSSAN: That has been proved over and over again.

The PREMIER: That has been so every year we have been in office, but hon. members now come forward and say that our estimates of expenditure are too large.

Mr. NORTON: You have not heard all you have got to hear.

The PREMIER: There is very little more to answer. The Government are of opinion, and I have not the slightest doubt—nor do I believe any member of the Committee has any doubt on his conscience—that unless some additional sources of taxation are proposed, at the end of this financial year we shall be in a much worse position than we are in now. No member of this Committee, on his conscience, doubts that.

The Hon. J. M. MACROSSAN: Are you the keeper of our consciences?

The PREMIER: That is my opinion. Hon. members opposite say, "Sell £100,000 worth more of land by auction." Is that to be the issue? I have said more than I intended to have said in rising to answer the hon. member for Balonne. It is a motion challenging the position of the Government, carefully avoiding committing themselves to anything, framed with skill that members who believe in a land tax may still vote against the Government. It is an admirably drawn resolution for that purpose. I know there are some on this side who may be induced to vote for the resolution; so that it will be simply a question of the Opposition voting collectively against the Government, having as their assistants those members on this side of the Committee who feel a difficulty about the land tax.

Mr. NORTON: Why should they not?

The PREMIER: There is no reason; I do not complain. I only wish to point out that these are the tactics. It has been very well done, but it is perfectly transparent. That is exactly where we are. I shall look with interest to the division and with a certain amount of curiosity. However, I shall have a further opportunity of speaking in the course of the debate, and I shall say no more at present.

The Hon. J. M. MACROSSAN said: In the course of the remarks I have to make, Mr. Fraser, I hope I shall speak loud enough to be heard by every member of the Committee. The hon. gentleman who has just sat down complains very much of the hon. member for Balonne not

having given him any facts and figures upon which he could base a reply in regard to the amendment that has just been tabled. I hope, sir, that he will not have the same complaint to make when I sit down. I shall give him a few facts and figures which he will be able to digest this week and next during his leisure hours in the Treasury, and he will be able to give his opinion upon those facts and figures before the end of this debate. Before going into any facts or figures I must take exception to the statement which the hon. gentleman has dared to make—in fact his audacity is every day becoming greater than ever it was.

Mr. NORTON: More brass.

The HON. J. M. MACROSSAN: This system of "one-man Government" which he has been carrying on for some time has made him believe he is a thorough autocrat; that he is even more than that—that he can see into the conscience of every member in this Committee; and further than that, Mr. Fraser, that he can see into the conscience of every honest, intelligent man in the whole country. These are the statements which the hon. gentleman makes, and thinks we are going to take as facts. It would be very much better if he had confined himself to a few facts, pure and simple, instead of appearing as a prophet, predicting what is going to take place over this amendment of the hon. member for Balonne. I do not think the hon. member for Balonne or any members on this side of the Committee care much whether the hon. gentleman is turned out of office or not. I know that I do not care the value of this pencil that I hold in my hand whether he is turned out or not; but I will certainly say this much—that if he is going to continue in the same course of administration that has been carried on for the last three and a-half years, I would prefer to see him out of office, no matter who took his place; because I say—and I say distinctly, and shall prove before I sit down—that the hon. gentleman and his colleagues have been running the country on to destruction. And I shall show him, although it is not my province—well, I do not say that I will show him, but I will suggest to him—how the deficit might be met within the next three years without imposing one single penny of additional taxation upon the people of the colony, and without selling a single acre of agricultural land fit for settlement by auction, in the way the hon. gentleman speaks of. The hon. gentleman has a great deal to learn. He thinks he knows a great deal, and he does know a good deal. He is a very able man, I admit, a man of untiring industry and perseverance.

AN HONOURABLE MEMBER: He is told that too often.

The HON. J. M. MACROSSAN: I know that. That is what has raised him to such an inflated state that he says he can see into our consciences. I admit that he is a man of great ability, but at the same time he does not know everything. He is not Solomon. I can tell him that, great as his ability is, he has yet to prove himself to be a practical statesman. That is one thing he has to prove himself to be yet. He has never yet been in any difficulty. Whenever he has been in office he has found a full flowing Treasury left to him by his predecessors; and the moment difficulty comes he will be tried as a statesman. It has come now, and we shall see how he will get out of it.

The PREMIER: Hear, hear!

The HON. J. M. MACROSSAN: The hon. gentleman says what a comfortable view it is to sell lots of land. It may be a comfortable view, and it might be a means of meeting a deficit at

one time, but not at another. Whatever view is taken must be the view to suit the circumstances of the country; and it probably would not be convenient and it might be unwise to sell quantities of land at the present time. I agree with the hon. gentleman that very likely at present large quantities of land could not be sold, but when he says that the best lands of the country on the coast have all been taken up already by sales by auction—

The PREMIER: No, no! I said taken up under the Act of 1876 for speculative purposes.

The HON. J. M. MACROSSAN: And does the hon. gentleman know how much that land has taken to clear per acre? Does he know that there is scarcely a single working man in the colony who could go and take up a selection upon such land as he alludes to, when he speaks of the land, except upon the Burdekin River? It has taken from £6 to £10 an acre to clear the lands the hon. gentleman speaks of. There is not a selection taken up under the Act of 1876 that the selector has not paid dearly for.

The PREMIER: Not those who use them!

The HON. J. M. MACROSSAN: The majority of them do use them as far as they can be used under present circumstances. It is a strange thing, sir, that the leader of the Government should stand up in this Chamber and talk as if all the best land in the colony was gone—8,500,000 acres out of about 430,000,000. We are in the habit of making a boast of the resources of this colony—talking about the vast resources of Queensland, which is to be the premier colony of Australia; and yet the Premier stands up and talks as if 8,500,000 acres had exhausted all the good land in the country. Why, sir, the hon. gentleman knows nothing about the resources of the country. He knows nothing of the coast lands, nothing whatever. He has seen but very little of them; he certainly made a flying tour in the North, but it was by steamer or by coach. As for what the Minister for Lands knows about the coast lands, why, it is absolutely nothing. I do not believe the hon. gentleman has been fifty miles north of Rockhampton, and yet he talks about the coast lands, also, as if he knew all about them. I am not going to agree with the sale of land indiscriminately, as the hon. gentleman stated members on this side of the Committee wanted to be done. I know that the statement he has made about land on the Herberton range is not correct. I know that there are millions of acres of good agricultural land there; some of it, of course, is covered by a dense scrub which would take as much to clear as I have stated, but there are hundreds of thousands of acres that will not take more than one-third of that. And does the hon. gentleman know anything at all about the range behind Cardwell? Does he know anything about the millions of acres of agricultural land there, with scarcely a single selection upon them, simply because the country is inaccessible at the present time through want of a railway or want of a road—for that and no other reason?

The PREMIER: That is exactly what I said.

The HON. J. M. MACROSSAN: The hon. gentleman also defended the action of the Government, or of the Minister for Lands, in selling the lands at the Roma-street railway station.

The PREMIER: I said nothing at all about it.

The HON. J. M. MACROSSAN: The hon. gentleman did. He defended the Minister for Lands, and tried to throw the blame upon the hon. member for Enoggera. I say this, sir, that whoever did cause the sale of these lands did a palpable wrong to the best interests of this

colony, and especially of the city of Brisbane. Every square foot of that land will be required for railway purposes. I know that when I was applied to by the members of the bowling club I gave them permission to take possession of a certain area of land to make it fit for bowling purposes. My only objection to giving it to them was that it would be required for railway purposes within a few years, and it was given on the understanding that when it was wanted it would be given up without compensation. Every foot of land there, from point to point, that has been sold will have to be bought back again at ten times the price at some time, perhaps, when the Treasury is full and probably some other gentlemen are on the Treasury benches. If the hon. gentleman just looks at Sydney and sees what the Government there are obliged to do in the way of buying back land, he would consider twice, and he would impress upon his colleagues to consider twice and three times, before they sold a foot of such land as that. The New South Wales Government have bought lately from the A.S.N. Company their wharves, which the company got for a mere song, I suppose, a few years ago, perhaps as a grant, and they bought the land back at a price beyond half-a-million of money.

An HONOURABLE MEMBER: £750,000.

The HON. J. M. MACROSSAN: I think the sale of such land to replenish the Treasury would be, as the hon. gentleman himself says in regard to country lands, a crying shame. Because these lands are sold in small blocks the conscience of the Minister for Lands is satisfied. As long as a man does not get 640 acres or 1,280 acres he is satisfied; but if a man gets 640 acres he is looked upon as a land-thief. I can tell the hon. gentleman, whatever he may think about himself and his department, that the opinion in the country amongst agriculturists is that his department and himself are actually trying to prevent men from settling on the land. I have proofs of it from letters sent to me—complaints sent to me of obstruction put in the way of men selecting land in East Moreton; and when selections have been taken up I have heard complaints of the harassing conduct that has been carried on by the land commissioner towards the poor selectors, and of every obstacle being put in the way of men acquiring freehold land. I believe that the hon. gentleman at the head of the Lands Department looks upon a man who gets a freehold as being almost equal to a thief or robber.

Mr. STEVENSON: Except when he gets it himself.

The HON. J. M. MACROSSAN: The Premier says he has always been trustful of others; that he has not "bossed"—to use a word that has been applied very freely in this Committee—the departments as he is supposed to have done. If he has not bossed them he certainly has allowed them to run riot, because they have made ducks and drakes of the revenue. If he did not boss them as a Premier ought to do, he should have done so, because I hold that a Premier is bound, whether Colonial Treasurer or Minister for Works or Chief Secretary, to scrutinise every penny of expenditure which takes place in the country. Why is he Premier? Is it simply to draft Bills? Is it simply that he may be ready to come down to the House with amendments at a moment's notice, as the hon. gentleman always is when they are required? That, surely, is not his work. The work of the Premier is to superintend. I would not have the slightest objection to his superintending every department. If he has not done so he ought to have done it, and

he certainly gets the reputation of having done it most effectually, and so well that no one has any voice or any opinion of his own. But whether it is a fact or not, Mr. Fraser, I shall hold him responsible for the position in which the country has been placed by him and his Ministry. I shall not hold the Colonial Treasurer who has left office responsible, although while he was in office he incurred a great degree of responsibility. If the Colonial Treasurer was wrong in his Estimates, the responsibility rested upon the gentleman who was over the Colonial Treasurer.

The PREMIER: Hear, hear! I quite accept the responsibility.

The HON. J. M. MACROSSAN: The Premier says he has not made investigations. He did make investigations, and they were very strange ones, when the result, as told by him to us last Thursday, turned out to be that the Railway Commissioner told him, "If you give us less money we will spend less money." Did it not occur to him that the Railway Commissioner, in saying that, admitted that he had been getting too much money, and that the Minister for Works, who is supposed to "boss" or superintend that department, is not doing so? I believe that that hon. gentleman imagines he is the head of the department. I think he always imagines that; but he has been told frequently in this House, by myself as well as by others, that instead of his being the head of the department, the department had taken possession of him and run away with him; and the admission made by the Commissioner for Railways to the Premier has been a proof that such is the case. I say that if the Premier had cut the estimates of the Railway Department down considerably more than he has done the public safety would not have suffered, and the country would have benefited. But, before going into facts and figures, I must say one or two words about the ex-Colonial Treasurer. I do not think he should be allowed to escape altogether without criticism. He must be strangely afraid of being considered any longer a Liberal, because he has left the Treasury benches. Well, now, Mr. Fraser, this word "Liberal," or "Liberalism," is simply a fetch. Is the hon. gentleman less a Liberal now than he was in 1876? He assisted in passing the Land Act of 1884, which was the outcome of Liberalism in the elections of 1883—that is, that no more land is to be alienated unless under very stringent conditions. Is he less a Liberal because he holds that opinion now, and held a different one in 1876? Is he, or any gentleman on the Treasury benches, less a Liberal to-day because he holds that land sales should not take place? When the Liberals sold land in 1876 and 1877 up at Roma to the extent of several thousands of acres, were they not Liberals then? And are they not Liberals now? And yet the two principles are exactly opposite. I hold that a man may sit on the Treasury benches and be the rankest Conservative at heart, and that a man may sit on these benches and be an ultra-Liberal. It is not the place in which a man sits; it is not the party to which a man professes to belong that makes him either a Liberal or a Tory Conservative. I hold there are gentlemen on the other side of the Committee who are strongly Conservative—who are ultra-Tories—in their hearts, and that their Liberalism is simply the varnish that is put on to catch the public vote. I hope the hon. gentleman will not think he is less a Liberal because he has shifted his seat from the Treasury benches. That, surely, should not affect a man's principles. Is a man less a Liberal because he opposes a land tax than he would be if he believed in a land tax? Is a

land tax one of the emblazonments on the standard of Liberalism? I do not think it is. There is no land tax in America except for local taxation, yet America is looked upon as a land of democracy. I am not certain whether there is one in Canada—I think not, except for local purposes. There is a land tax in Victoria, but we all know the reason why a land tax was imposed there. It was imposed for purely political reasons—for the bursting up of big estates. Estates below a certain acreage were exempt from the tax. I therefore think the hon. gentleman has exercised his conscience a little too much in fancying people will believe him less a Liberal now than he was last year. The hon. gentleman is the same now as when I first knew him in this House, fifteen years ago. There is no difference in him, and there is none in me. Now I come to the Premier's Financial Statement, and I will give him a few figures to go upon, and if he thinks over them he may probably find the means of getting the country out of its difficulties without imposing fresh taxation, or by selling land in large quantities, which may be used for agricultural purposes. The hon. gentleman made in his Financial Statement an assertion that it was a "parrot" cry that this country was highly taxed, and he seemed to make the discovery as if he had been the first to find out that it was only duty paid through the Customs and Excise that was really taxation; that services rendered by the railways were not taxation. Did he ever hear of a man in this House who said that it was? I never did. I never heard any sensible man outside say that that was taxation. It is only what a man pays in the shape of duty or excise that is taxation, and so far from it being a "parrot" cry, it is a cry that is a positive fact. There is only one country that I am aware of—only one colony in Australia—which is taxed more highly than Queensland. That is a Crown colony—Western Australia—and I think we are not going to take an example from it. Then New Zealand is taxed slightly higher than we are, and that is the only colony in the whole British dominions that is taxed more highly than Queensland. I will give the hon. Premier some figures from Mr. Hayter's Year-book, but before I do so let me say that if the hon. gentleman had any sympathy, any real sympathy, with the working classes he would never stigmatise the statement that we are highly taxed as a "parrot" cry, because if he had any sympathy with the working classes, and knew the struggles which they have to make both ends meet—a struggle which the hon. gentleman has never yet tried in the art of government—he would find, instead of it being a "parrot" cry, it is a hard, positive fact, burned into the minds of both men and women in this colony. The last statistics in Hayter's book are up to 1884. Well, we know that in 1885 the taxation was £3 16s. 7d. per head. Now, let the hon. gentleman fancy a working man with five in the family—and that is not a very large family for a working man in this colony: there are seven members of the household, and that means that there are seven people for whom that man has to pay £21 a year in taxation through the Customs.

The PREMIER: Most of it goes in spirits.

The HON. J. M. MACROSSAN: It does not—not one-third of it.

The PREMIER: It does.

MR. NORTON: Then the working man must be paying more than the rich.

The HON. J. M. MACROSSAN: I believe the working man does pay more than some of the rich, but not more than the rich as a class. Now, a working man getting £2 a week—and

that is a pretty high wage, as I have seen it stated recently in the newspapers that men are working for 5s. 9d. a day—but suppose he gets £2 a week, has to pay £12, £15, or £18 a year to the Custom-house for what he eats and drinks and wears; so that I say so far from this being a "parrot cry" to him it is something very tangible. I hope the hon. gentleman will not make any such statements in this Committee again. Now, I will give him the taxation of the other colonies up to the year 1884. In Victoria in 1884-5 the actual taxation per head—that is Customs and Excise—was only £2 13s. 1d., or £1 per head less than Queensland, and Victoria is a colony where very high duties prevail. New South Wales is even still less than that, with only £2 5s. 1d.; South Australia still less, with £1 10s. 7d.; Western Australia is higher, £3 18s.; Tasmania is £2 13s. 7d. per head. In New Zealand, although the taxation is actually a little higher than in Queensland, the average is much about the same—that is, £3 10s. Therefore, so far from this being a country which is not highly taxed, it is one of the most highly taxed countries in the world. There is no State in Europe which is so highly taxed; there is no state in America which is so highly taxed. There is no British colony in any part of the world, with the exception of New Zealand and Western Australia, which is so highly taxed. Now, I think the hon. gentleman understands that, if taxation is to be avoided at all, it ought to be avoided. If we can find any other means of making both ends meet than imposing taxation, we ought to adopt that means; I think the hon. gentleman will agree with me in that.

The PREMIER: Hear, hear!

The HON. J. M. MACROSSAN: Well, then, if the hon. gentleman will take the trouble to follow me, I will give him a diagnosis of the case. He blamed the hon. member for Balonne for not giving a diagnosis, but I do not know in what sense he used the word.

The PREMIER: It was not in that connection.

The HON. J. M. MACROSSAN: At all events I know the sense in which I use it. I will give him a diagnosis of the disease of the State. There is a want of life-blood; there is a want of that which makes the blood run quickly—there is a want of money and a want of circulation. Now, I will show the hon. gentleman where that want of circulation comes in, and it will be for him to find the remedy when I show him the cause of the disease. The remedy will be easily found when the cause is discovered. In the last year that the late Government held office—in 1883—the Estimates were made up to the 30th June, but they had no opportunity of making out any other Estimates. They had no time to pass those Estimates, because they were met with a direct vote in the House.

The PREMIER: The Estimates were laid on the table, but were never printed.

The HON. J. M. MACROSSAN: Yes; they did not appear in the "Votes and Proceedings" at all. I will simply deal with figures, which every hon. member can find for himself in the "Votes and Proceedings" of the House. In that year, 1883, the Estimates of Expenditure and the amount spent—for the amount appropriated by Parliament is very generally spent, and often a great deal more than that—in that year, leaving out entirely the amount required for interest, the amount, including Supplementary Estimates—and the late Treasurer will follow me, and know whether I am making any mistake or not—the amount appropriated by Parliament for the ordinary expenditure of the country, exclusive of interest, for the ordinary

cost of government, amounted to £1,560,000. I will give the figures from year to year up to 1886, and show the increase during those three years. During those three years the expenditure went on increasing by kangaroo leaps and bounds. It did not rise gradually, step by step, but by enormous bounds, as hon. gentlemen will see for themselves when I give them the figures. Taking the same basis of expenditure for the year 1884—the ordinary cost of government, which is, of course, the appropriation of the Estimates and Supplementary Estimates—the amount for 1884 is £1,846,638, being an increase in one year of £286,629. If hon. gentlemen will throw their minds back, or, rather, if they will throw their intelligence into the “Votes and Proceedings,” they will find that during the whole period of the existence of the McIlwraith Government, from January, 1879, until November, 1883, the total increase in the expenditure on the same basis was only £270,000. So that in one year under the present Government the increase was greater than during the whole period of the existence of the McIlwraith Government; and who will say that the cost of government was too little under that Administration. I do not think any member of this Committee will say it, and no member surely will complain of its being too little. In the following year, 1885, on the same basis, the amount was £2,126,254, being an increase of £279,000 on the previous year, and being still again an increase actually greater than the whole period of the McIlwraith Administration.

The PREMIER: That included schedules.

The HON. J. M. MACROSSAN: Yes; I have included schedules, everything but interest—that is, the ordinary cost of government. In 1886 the amount was £2,362,615, being an increase of £236,000 for that year. The total increase for the three years in the ordinary cost of government amounted to £802,606, or an increase in the cost of government for the three years at the rate of 51½ per cent. Now, I ask hon. members is it difficult to say where the disease of the State comes in? Some hon. gentlemen may, perhaps, say to this, “Oh, but the population increased tremendously during that period.” In fact, I have heard that said. Now, I will just show them how much the increase in population has been in that period. But, instead of the increase in population being an excuse for the lavish expenditure, it should in reality reduce the ordinary average cost per head. But so far from that being the case, the ordinary average cost per head has increased from £5 7s. 10d. to £7 7s., so that the average cost per head increased by £2 during the period of three years. Now, let us see the increase of population. On the 31st December, 1883, the population of Queensland was 287,000—that is six weeks after the present Government took office; and on the 1st May, 1886, the population was 322,000, the increase being 35,000 in the three years. For that 35,000 increased population there is the tremendous increased expenditure of £802,606 annually. It is not one sum and be done with it, but, an annual increased expenditure.

An HONOURABLE MEMBER: And is still growing.

The PREMIER: No; it is diminishing now.

The HON. J. M. MACROSSAN: Yes; the hon. gentleman has taken to himself great credit for having spent £3,000 less last year than the year before. He has created an increase of £802,606 in three years, and he credits himself with having reduced the sum for last year by £3,000.

The PREMIER: The increased endowments come to a very great deal.

The HON. J. M. MACROSSAN: I am not accounting for the increase in any way whatever, but I am giving the Committee facts to deal with; and let him, when he knows what is the cause of the tremendous deficit we have now arrived at, try to find some means to wipe it out, as I could, I believe. I do not profess to be a Treasurer, but I am certain I could in less than three years wipe out the deficit without imposing a single penny of additional taxation, and without selling a single acre additional. I say that without fear of contradiction. Complaint has been made that the revenue has not been larger. I say the revenue has been actually too large, and I have told the Colonial Treasurer that his revenue was too large, or at all events too large for the use to which it was put. What the Colonial Treasurer has always been told from this side of the House is that he was too sanguine in his expectations not only of the general revenue, but especially about his expectations from the Lands Department. Now let us see how this tremendous increase has arisen. I will go further, and give a diagnosis as to that. We all know how easy it is for people to spend money when they are in receipt of a good income and when they expect a much larger income than they are receiving. The hon. member for Balonne read to-night two statements from *Hansard*—one from the Minister for Works and one from the Premier—and other statements could be quoted which those hon. gentlemen made outside the House equally as damaging, showing the expectations they had of the revenue to be derived from the Land Bill of 1884. I say, whether that Bill was a good one or not, it has been at the bottom of this deficit and the extravagance of the Government up to the present time. They expected a very large revenue from their Land Bill, and they were therefore lavish with their money. They told hon. members—“We can give you railways everywhere. You need not be afraid of not getting your railways, because this Land Bill which we have introduced will pay all the money to be borrowed in making those railways.” That was a distinct understanding with hon. gentlemen who would never have voted for the Land Bill except under the condition of the passing of the £10,000,000 loan. I believe that the members of the Government and the party supporting them believed every word they said. I do not for a single moment think that they were deceiving the people; they were deceiving themselves unknowingly, but they should not have deceived themselves so long, because they were told from this side of the House, when the Bill was at its second reading, that it would not do as it was expected to do. The late Colonial Treasurer must know the statements I then made upon the Bill, and which he failed to answer successfully, have turned out to be correct, and his statements—based, I suppose, upon the statements made by the Minister for Lands, the Minister for Works, and the Premier—have turned out, unfortunately for the public, to be untrue. That accounts, in my mind, for the extraordinary expenditure of the Government. It was the expectation which they had from the Land Act that led to their extravagances—not that they were not always extravagant, for the hon. gentlemen who occupy the benches on that side of the House at the present time have always been spendthrifts; there has never yet been a Government from that side that has not squandered the public estate. As my hon. friend beside me says, they have spent money they have never earned. They came into office with a flowing Treasury, with a large surplus. In 1882

there was a special appropriation of £245,000. We left them £310,000 to appropriate specially, which they did, and they afterwards appropriated a further sum of £100,000 for special works. That is all gone, and £410,000 more. That is, an additional £802,000 per annum has all gone. There is a deficit of £410,000 staring us in the face, and next year, the hon. gentleman says, there will probably be an increase in the deficit of £100,000. The sum of £60,000 is what is down on the Estimates. But unless the hon. gentleman alters the course of conducting his departments the deficit will be nearer three-quarters of a million on the next 30th of June than £500,000 or £600,000. He has to borrow more money, and he must pay the interest on that money. The interest is getting larger every year, and the hon. gentleman has confessed that the interest is a thing which he cannot control. I am surprised at his making a confession of that kind. I say there is nothing in the Government departments, with the exception of the schedules, which the hon. gentleman cannot control.

The PREMIER: We cannot control what is due now; it must be paid.

The HON. J. M. MACROSSAN: I know it is due and must be paid, but if the hon. gentleman borrows less money in future there will be less money to be paid as interest.

The PREMIER: Of course.

The HON. J. M. MACROSSAN: It is the spendthrift character of the Government—their spendthrift way of dealing with both loan money and revenue proper—that has, as I have shown, placed them in their present position. What has been the total increase per cent. in expenditure, including the amount of interest, which has to be paid every year? I have just told the hon. gentleman that the increase in three years on the ordinary cost of government was at the rate of 51½ per cent. The increase up to last year, including interest, was 57 per cent. The richest country in the world could not stand that. I think this country is as rich as any in the world; if it were not it would not have stood it so well as it has done. But I say that no country in the world could stand such a drain upon its resources in proportion to its population. If the hon. gentleman will look at his Financial Statement he will find something which will go a long distance to prove that trying to lay the blame on the drought is—what he called the complaint about the heavy taxation of the country—a “parrot cry.” I maintain that, so far as the drought is concerned, this is a parrot cry; the drought has made very little appreciable difference in the Customs receipts. It has certainly made some difference in the returns of the Railway Department. I admit that. But beyond the Railway Department it has made very little appreciable difference in the revenue. When the Railway Department found that it was receiving so little money as it did during the last three years, what should the authorities have done? Should they not have economised instead of going in for extravagance? But they went the other way; getting less money annually, they spent more annually, and they did not, as the Premier says, spend it on new extensions, but the actual cost per mile has increased in those three years to the extent of £43, making a difference in the revenue of £69,000 or £70,000 a year. That money was squandered, because the cost per mile before that period was quite equal to what the cost of railways should be, and the additional cost is simply due to extravagance. And it is the duty of the Minister for Works to take the head of the department by the throat, and tell him that he must stop the extravagance, and come down to the ordinary expenditure of the

Government, as he ought to have done before. Let us see how the Customs are situated. The hon. gentleman, in his Financial Statement, read some figures. He said that in 1882-3 there was an increase in the Customs of £113,000; in 1884-5 there was an increase of £71,000; in 1885-6 there was an increase of £67,000; and last year there was a decrease £37,000, and this was the only year in which there was a decrease. Every year of this tremendous drought that has been so providential to the Ministry—that has been such a capital scapegoat on which to lay their sins and extravagances—the Customs were increasing to a larger extent than the population was increasing.

An HONOURABLE MEMBER: They have got the floods in addition now.

The HON. J. M. MACROSSAN: During those three years the total increase in Customs was £251,000.

Mr. STEVENSON: That is his own statement.

The HON. J. M. MACROSSAN: That is the hon. gentleman's own statement. The increase in population, as I said before, was 35,000.

The PREMIER: You are wrong in your figures.

The HON. J. M. MACROSSAN: I am not wrong. In 1883 the population was 287,000, and last year, according to the figures of the census, it was 322,000.

The PREMIER: That is less than two and a-half years.

The HON. J. M. MACROSSAN: I take the period from 1883 to 1886. It is during that period that the extravagance occurred which has landed us in this deficit. The increase in population was, as I stated, 35,000. There was an actual increase in the Customs of £7 per head for every additional person that came into the colony; so that really the drought, so far as the Customs are concerned, had nothing to do with the deficit, because the money that was obtained through the Customs would pay for the additional population at an average cost per head of £3 10s. Only the railways were affected by the drought in such a way as to lessen the receipts, and as I said before, they should have been managed properly at the time, and could have been managed effectively. The hon. gentleman says in his Financial Statement:—

“I say that the Estimates have been framed with economy, and I can assure hon. members that they have been framed with very great care indeed, and that every item of expenditure has been considered, and I do not think these Estimates can be reduced without very seriously impairing the efficiency of the different services.”

That is a statement in which I have not the slightest belief. I honestly say that whatever care the hon. gentleman may think these Estimates have been framed with, he is mistaken in his views, for I believe that they can be reduced, and the public service be carried on as efficiently as it has been at any time in the past. I say nothing has happened in this country during the period I have spoken of to warrant or justify the increased expenditure that has taken place. Then he says, speaking of the Railway Department:—

“They are very careful there and do not spend any more than is given them; but they always spend it all. On consultation with the Commissioner I found he was satisfied that they could do with less, if they only have less given them to spend, and if they are told positively that they must not spend any more than is set down for them.”

Now, must the hon. gentleman not be a perfect innocent, after having that statement from the Commissioner, to come and tell us these Estimates have been framed with care when the

whole of the reduction in that £600,000 department is £5,000? They do not spend any more than they get—that is more than we can say for the Government. They are certainly better servants to the State than the Government, because not only have the Government spent all that they got, but they have spent nearly half-a-million that they never had. Now, if any member of this Committee had a very fine estate, and the manager came to him with a very glowing statement of how he was going to increase the value of that estate by spending a little money: and then, if after two or three years the owner found that the manager had made a serious mistake—that instead of increasing its value he had decreased it, and had run him into debt to a very large extent which he never intended—what would be the result of that management as far as the owner of that estate was concerned? Would he not tell the manager that he wanted him no longer to manage the estate? Now, I ask hon. gentleman if that is not the position the members of the Ministry occupy as far as the noble estate of this country is concerned? Have they not led every member on that side of the House astray by making them believe they were going to manage the estate so well that taxation would be relieved by the moneys derived from the Land Act of 1884, after paying the interest on all the railways built out of the £10,000,000 loan? Instead of that being the case, we find that the Government have not only spent all the money they got, in carrying on the cost of ordinary government, but they have spent nearly half-a-million more. I know it is too much to expect, and I do not expect, that the members of this Committee will say to the Ministry, "You are bad managers; you shall no longer manage this estate of mine." It is too much to expect that, because those gentlemen have been too facile—I do not like to use the word "servile"—but they have been too complaisant entirely to the Ministry. They have allowed them a free hand, they have allowed them to do what they like, and every man of them is as much responsible for the position the country is in to-day as the head of the Government itself. Therefore, I do not expect them to say that, but I expect them to say this: Let them verify the statement I have made as to the enormous extravagance of three years, and if they find that statement correct, as I know it to be, let them return the Estimates to the Government and say, "You must reduce your Estimates of Expenditure still more." Would it be too much to ask—now that 5½ per cent. has been added to the ordinary cost of government in three years—that 10 per cent. at least should be struck off? I say it would not be too much, and I maintain that if 10 per cent. were cut off the ordinary cost of government the efficiency of the service would not be impaired in the slightest degree. I would not take the responsibility of pointing out—it is for the Premier to find out—where the retrenchment can be made, but I say he ought, and this Committee ought to compel him, to take back his Estimates and frame them afresh. The hon. member talks about coming to a vote on this amendment of the hon. member for Balonne, and talks about going out. I am not certain but what he wants to go out. Certainly, last Thursday, when I heard him making his statement, it struck me very forcibly that the hon. gentleman was then making his first electioneering speech, and that he really wanted to go out on what he supposed to be a popular cry, but which he will not find so popular as he expected. But he knows as well as I do that no Government need go out on their financial proposals. They can take them back, and amend them if they choose, at the instance of the House. It has been done repeatedly in England, and what can be done

there can be done here. It has been done wherever responsible government exists, so that unless he means to go out he need not go out, even if the amendment of the hon. member for Balonne is carried. He knows that as well as I do, but I am thinking the hon. gentleman does want to go out—that he probably thinks that now, before the deficit becomes much larger, would be a very good time to feel the pulse of the country. But I have to charge him with something else. He has not only taken, as I believe, a wrong course to make up the deficit which, principally, he has forced upon the country, but he has not even made an effort to make the two ends meet for this year. Now, I say that is the most ordinary duty of any Government, and he has not attempted it.

The PREMIER: Indeed we have.

The HON. J. M. MACROSSAN: Indeed he has! £3,000 he spent last year less than the previous year, after having spent £802,000 more than he ought to have done; or at least I will say £300,000 or £400,000 more than he ought to have done. I say that this year he ought to cut down the Estimates at least 10 per cent., leaving out the interest in the schedules—leaving out everything which would in any degree compromise the interest or the honour of the country. If he does not do that it is the duty of the members of this Committee to do it for him. It can be done in committee on the Estimates without any formal vote of the House being taken on the subject; but I think it would be far better for the Government to take back their Estimates and frame them afresh. Now, there is one other matter in the Financial Statement which has not been spoken of by my hon. friend the member for Balonne, and only incidentally by the late Colonial Treasurer—that is, the decentralisation proposals of the hon. the Premier. He made a promise at the close of last session to introduce a measure of decentralisation, and he made a statement to the Governor, which, of course, was transmitted to the Secretary for the Colonies, Sir Henry Holland, which had, I believe, an effect on that gentleman's mind in shelving territorial separation for the present, but only for the present, Mr. Fraser. It is within the recollection of several hon. members—there are several here who were members ten years ago—that a Bill was introduced in 1877 by the gentlemen who now occupy the Treasury benches, of whom the late Colonial Treasurer was one, the Premier was Attorney-General, and the present Minister for Works also was one. That Bill was directed to the very same purposes as the Bill now about to be introduced by the Premier; and I believe it was framed upon substantially similar lines to the one which will be introduced now.

The PREMIER: No!

The HON. J. M. MACROSSAN: There may be differences in matters of detail, but, judging from what the hon. gentleman has stated, I believe there can be very little difference in the two Bills. That Bill was the outcome of a commission appointed by the Government of the day to inquire into the best method of bringing about financial separation. There was no cry then for territorial separation. There had been a long time before an agitation in Rockhampton; but the North had gone further north, and Rockhampton, which was once the North, had become part of the Central district. There has always been an agitation more or less in Bowen with regard to separation; but the Bowen people were willing then to accept financial separation as a remedy for the grievances of which they complained. The Bill was introduced to remedy those grievances. It passed its second reading,

and was considered in committee as far as the 5th clause; and at the instance of several supporters of the Government the Bill was withdrawn on the plea that the session was too short. In fact the Hon. John Douglas, who was Premier, stated that it was not good policy for him to offend his supporters—I admit that it was not good policy—and the Bill was withdrawn. I protested strongly against the withdrawal of the Bill, and I stated then what the consequences of the action of the Government would be. I said that a cry would inevitably arise for territorial separation, and that when that cry did arise I would assist in obtaining territorial separation. Since then I have never once attempted to agitate or speak in favour of financial separation.

Mr. DICKSON: You introduced a Bill yourself afterwards.

The Hon. J. M. MACROSSAN: That was a different thing altogether. It was a Financial Districts Bill—very different from your Bill. The Premier in his statement last Thursday said:—

“One of the great complaints of the northern parts of the colony is that they do not receive a fair share of the expenditure. They say further that the accounts kept by the Treasury are misleading, because they only get credit for Customs duties paid in their particular ports and that that is not all they pay; that if the Customs revenue was distributed per capita in proportion to the population that would be an unfair distribution, because in that portion of the colony, where there is a so much larger proportion of adults, their contribution to the Customs revenue is proportionately very much larger than in the settled parts of the colony. That is true, and I think that any proposal pretending to allocate the revenue of the colony to the different districts of the colony which did not give them credit for the money they actually paid in respect of dutiable goods consumed by them would be a mere hollow delusion and a mockery.”

I agree entirely with every word of that; but it has taken the hon. gentleman ten years to come to that conclusion. You remember, Mr. Fraser, that I advocated financial separation on those grounds as well as on others; but the hon. gentleman did not believe me. Now, I will tell the hon. gentleman frankly and fairly that as far as his Bill for decentralisation is concerned the North will not have it. The Northern people at that time would have been satisfied with financial separation; they were a mere handful compared with what they are now; and they are now double the population Queensland had when it obtained separation, and produce three or four times the revenue, and have fifty times the resources staring them in the face. I say that what would have satisfied the North at that time will not now. The hon. gentleman has come to an honest conclusion too late. We demand more now than the equitable distribution of revenue; we demand the power to make our own laws, the power to make our own tariffs, the power to govern ourselves. That, and nothing less, will satisfy the North now. The hon. gentleman may introduce his Bill, but I can assure him that it will not have my support, no matter what it contains. Nothing less than territorial separation will satisfy the people of the North, and nothing less will satisfy their representatives in this House; and the hon. gentleman may make certain that that is the answer he will get from the Northern constituencies whenever he likes to appeal to them. The hon. member for Bowen reminds me that I have said nothing on the proposed land tax. The fact is I did not think it necessary. I pointed out a source of revenue, quite independent of any taxation, which I believe can be operated upon in such a way as to impose no additional burden on the people, and do nothing that will in any way injure what the Minister for Lands is always raving about—posterity. The

hon. gentleman forgets that we are posterity ourselves—the posterity of those who have gone before us. I should like the hon. gentleman to tell me why I should put myself in great straits for posterity 50 or 100 years hence. I say “Let posterity in all fairness manage their own affairs, and let us manage our affairs to suit ourselves at the present time.” As to the land tax, I have always believed in the theory of a land tax, and if there was an absolute necessity, and no other means of raising revenue, I should certainly vote in favour of a land tax; but I will put the hon. gentleman right in one particular. He talks about a drought of four years succeeded by a flood. Now, I ask him, is it a time to impose additional taxation upon the men who have suffered by droughts and floods?

The PREMIER: They are not the people who will have to pay.

The Hon. J. M. MACROSSAN: I know that a great deal will be paid in Brisbane and other large towns. A good deal will be paid by the holders of property in all the towns of the colony, but a very large amount will be paid by property holders in the country who have suffered by both drought and flood. In theory I have always believed in a land tax, but the difference between imposing a land tax in Queensland and elsewhere is this: In Queensland we have only alienated 8,500,000 acres out of about 430,000,000, while in most of the old settled countries of Europe, where they have a land tax, the State has very little landed property, if any, and certainly it has none for sale. Is it not a fact that if we impose a land tax and continue, as we always must, to sell land, both town and suburban and country, we are by so much depreciating the value of our own property?

The PREMIER: It will be quite inappreciable.

The Hon. J. M. MACROSSAN: The hon. gentleman says it will not be appreciable, but I say it is so appreciable that it will make a difference on auction day or on selection day. The State is by far the largest property-holder, and the holder of thirty-nine-fortieths of all the land in the colony is going to tax his own estate, when there are means of making the two ends meet without imposing any additional taxation. I shall certainly object to any tax—land or other—being proposed at the present time. I did not believe there was any necessity for the taxation proposed by the Treasurer last year or the year before, and I spoke and voted against it on both occasions. All that is wanted now is a careful supervision of the working of the different departments, in order that a careful system of retrenchment may be carried out. I do not mean that we should reduce the salaries of the Civil servants. If anything in that direction is attempted, we should begin by reducing the salaries of Ministers and members of Parliament; but by careful retrenchment, without injuring anybody, we can lop off a great deal of this extravagant estimate of expenditure, which, as I have pointed out, has arisen during the last three years.

The PREMIER moved that the Chairman leave the chair, report progress, and ask leave to sit again.

Mr. LUMLEY HILL said that as to-morrow was private members' day, and as he had a motion at the head of the paper, he wished to know whether he would be able to go on with it, or whether it was the intention of the Premier to go on with the present debate to the exclusion of all private business. In the event of the session being a short one, he was anxious to give newspaper proprietors the relief which they so anxiously sought.

The PREMIER said he could give the hon. member no information as to the probable duration of the session, but he dared say the hon. member would have ample time, before it closed, to bring forward his Bill. As far as the Government were concerned there would be no opposition to his bringing it forward to-morrow.

Question put and passed, and leave given to sit again to-morrow.

ADJOURNMENT.

The PREMIER, in moving the adjournment of the House, said that, after private members' business was disposed of, he proposed to proceed with Ways and Means.

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