Queensland

Parliamentary Debates
[Hansard]

Legislative Assembly

THURSDAY, 11 OCTOBER 1888

LEGISLATIVE ASSEMBLY.

Thursday, 11 *October*, 1888.

Questions.—The Case of Mr. Surveyor Steele.—Australasian Natives' Trustees, Executors, and Agency Company, Limited, Bill—second reading.—Queensland Permanent Trustee, Executor, and Finance Agency Company, Limited, Bill—second reading.—Customs Duties Bill—second reading.—Railway Bill—committee.—Day Dawn Block and Wyndham Gold-Mining Company's Railway Bill—second reading.—Railway Bill.—Adjournment.

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

QUESTIONS.

Mr. GLASSEY asked the Colonial Secretary—

1. Has he had any communication from one Wm. Lyons, 84 years of age, who was an inmate of the Sick Ward, Dunwich, on the 17th of August last, complaining of having received ill-treatment from a fellow inmate acting as wardsman of that institution on the date named?—if so, has he investigated the matter, and with what result?

2. Is he aware that Lyons also reported the occurrence to the surgeon-superintendent of the institution, and to the visiting justice for the time being, but without obtaining any redress?

3. Will he inquire whether the wardsman in question was not on a previous occasion reported to the officials of the institution for committing a similar offence to other patients, without any apparent notice being taken of the matter?—and will he, after making such inquiry, and finding such report to be correct, order the removal of the said wardsman?

The COLONIAL SECRETARY (Hon. B. D. Morehead) replied—

1. Yes; upon inquiry I ascertained that on the 17th August last an altercation occurred between Lyons and the wardsman, who is also an inmate, while serving out the food at dinner, when, after great provocation, the wardsman gave Lyons a push. The matter was inquired into by the visiting justice on his next visit, and the wardsman was censured and removed to another ward.

2. Lyons reported the occurrence, and it was inquired into with the above result.

3. No complaint had previously been made against the wardsman, and no further action is therefore necessary.

Mr. SMITH asked the Minister for Railways—

1. Have the petitions from the various districts interested received the attention of the Government, and have instructions been given to the Chief Engineer, Northern and Carpentaria Division, to survey the line of the Bowen Railway to junction with the Northern line at the thirty-seven mile peg?

2. Is it the intention of the Government to call for tenders for the construction of the bridge across the Burdekin River as soon as the crossing has been fixed?

The MINISTER FOR RAILWAYS (Hon. H. M. Nelson) replied—

1. All petitions on the subject have received consideration, and for the purpose of enabling the Government to arrive at a decision on the question of the route to be adopted, the Chief Engineer has been instructed to report on the alternative routes proposed, after an inspection thereof has been made.

2. Until the plans of that section of the railway in which the Burdekin Bridge is included are passed by Parliament, the Government cannot call for tenders for the construction of the bridge.

Mr. MURPHY asked the Minister for Lands—

If it is the intention of the Government to introduce a Bill during this session for the purpose of attempting to check the further spread of rabbits in this colony?

The MINISTER FOR LANDS (Hon. M. H. Black) replied—

As it is found that owing to the preventive means adopted on the border, no further spread of the rabbit pest is taking place, it is not the intention of the Government to introduce a Bill this session dealing with the question.

Mr. BUCKLAND asked the Minister for Mines and Works—

1. What is the minimum depth of water between Victoria Bridge and the Pile Lighthouse?

2. Is it a fact the s.s. "Angers" is leaving the port of Brisbane with only half her usual quantity of coal owing to the insufficiency of water in the river for her draft?

The MINISTER FOR MINES AND WORKS (Hon. J. M. Macrossan) replied—

1. The minimum depth in the Brisbane River between the Victoria Bridge and the Pile Lighthouse is 14 feet below low water of ordinary spring tides. This is the depth which has regulated the signals at the Pile Lighthouse since it was opened on the 1st June, 1884, and the depth has been fully maintained up to the present time, which is shown by the fact that steamers have recently come up the river drawing 6 inches and 9 inches more water than the Pile Lighthouse showed.

2. The s.s. "Angers" is a very large steamer, drawing when fully loaded about 26 feet. She left on the 5th instant, drawing 19 feet 6 inches, which was the maximum draft that could be sent to sea at that date. The s.s. "Merkara" left on the same date, drawing about the same water. The largest draft that has been sent to sea is 20 feet 6 inches, and the largest that has come up the river is 21 feet 3 inches

CASE OF MR. SURVEYOR STEELE.

The MINISTER FOR LANDS moved that certain papers selected from the Return to Order laid upon the table of the House on the 25th September, be printed.

Question put and passed.

AUSTRALASIAN NATIVES' TRUSTEES, EXECUTORS, AND AGENCY COMPANY, LIMITED, BILL.

SECOND READING.

Mr. REES R. JONES said: Mr. Speaker,—In moving the second reading of this Bill, at the risk of being a little tedious, I wish to refer first of all to the state of the law at present with regard to executors, trustees, and administrators, and also to the manner in which the law in this country differs from the law in England in regard to the amount of remuneration they are entitled to receive. When a man dies the first question asked is: "Has he made a will?" and if he has left a will the question arises as to who are his executors. When the will is proved, the administration of the estate is committed by the Supreme Court to the persons therein named. If the persons named in the will cannot be found, or if there is no will, letters of administration are given to persons appointed by the Supreme Court. When a man dies intestate the administration of his estate is committed to certain persons according to recognised laws of the Supreme Court, and they have to find security. In England persons in that position are allowed to make no profit out of the estate committed to their charge, unless by the deed or settlement appointing them to the position they are allowed to do so. In this colony, however, and in the parent colony of New South Wales, at any rate from the time of the latter part of the reign of George IV., the Supreme Courts have been empowered to grant executors and administrators a commission out of the personal estate, though not out of the real estate of the deceased person, for their trouble and pains in administering the estate. But there was a rule of the Supreme Court—which has since been embodied in our Probate Act—passed in 1867, to the effect that the court was not entitled to grant them any commission for their pains and trouble until the completed accounts of their administration of the estate were laid before the proper officer of the court. As I pointed out, they could only receive commission or remuneration out of the personal estate, but in the 6th clause

of the Settled Lands Act of 1886, the court is empowered to grant trustees under wills and other settlements a commission not exceeding 5 per cent. out of the landed estate, as a kind of remuneration for their pains and trouble in dealing with the estate. The necessity for this Bill is this: Although persons appointed trustees for the administration of the estates of deceased persons are entitled to receive remuneration, yet there is great difficulty in finding persons to accept these offices; because it is well known that the courts look upon the position of persons appointed as trustees or executors under a will with great care, and in fact, in my opinion, act very harshly towards trustees and executors. If they act without proper advice they might find that they have got themselves into trouble, and may be obliged, perhaps through no fault of their own, to pay large sums of money out of their own estate. The result is that people are becoming more and more disinclined to take upon themselves the position of trustees or executors. I am informed that the company asking for the powers proposed to be conferred by this Bill will supply a want long felt. They are a corporation, and it must be remembered that in the case of an individual trustee, the estate, should he die during its administration, is put, in many instances, to a large amount of expense in securing the appointment of a new trustee, and transferring the securities vested in the old trustee. That is sometimes a most expensive proceeding, and one that is very burdensome to the estate. Besides people now are so wrapped up in their own business that they have not time to devote to the duties of trustees and executors. Therefore it has been felt, not only in this colony, but also in other colonies and the old country, that it is very desirable that some trust company of this kind should be instituted to carry out the duties of trustees and executors. I may say that such companies prevail in the South African colonies, where they have been a great success, and have been very much relied on. Similar companies are also carried on with very great success, and looked upon very highly, in the United States of America. In Victoria like companies have been started within the last ten years, and have been a very great success indeed. I have a certificate here from Mr. E. K. Barry, accountant in the Master in Equity's office, in Melbourne, showing the number of estates of deceased persons and the value of the same, of which probate and administration has been granted to executors companies empowered by Act of Parliament during the years 1885, 1886, and 1887. The number of estates is ninety-five, and the sworn value of the estates £1,229,152 19s. 2d. There is a note saying that several of the executors companies did not have the necessary powers conferred upon them until the beginning of the year 1887. It will be seen from these figures that in Victoria these companies have proved a success, and enjoy the confidence of those persons who have entrusted to them the management of estates to the value of £1,229,152. During the present year the number of estates dealt with has been forty, and the sworn value of the property to the companies has been £355,000. I have, I think, shown the necessity for the appointment of companies to transact the business of executors and trustees, but corporations by the present law cannot take upon themselves the performance of trusts. It therefore requires legislative enactment to give them the necessary powers, and that is the reason this Bill has been introduced to the House. The preamble, after reciting that "from the uncertainty of human life, and from other causes, great difficulty often arises in securing the services of suitable persons for the office of trustee and executor," and also that "in order to secure the more certain discharge of the duties of such offices a company has been formed and incorporated according to the laws of the colony of Victoria" goes on to state that the company has been registered in Queensland under the provisions of the British Companies Act of 1886. That fact was proved in evidence before the Committee. The capital of the company is £500,000, in shares of £1 each, with power to increase. Of that amount, according to the evidence, £136,595 have been subscribed, and there is paid up the sum of £27,397 10s. In this colony there have been 36,595 shares subscribed. The preamble further recites that it is expedient to enable the company to act as executor, administrator, and trustee. The 2nd clause of the Bill defines the meaning of the following, among other terms, namely:—

"'The Company'—The Australasian Natives' Trustees, Executors, and Agency Company, Limited;

"'The Court'—The Supreme Court of Queensland;

"'Will'—Any will, codicil, or other testamentary writing."

Clause 3 provides that the company may act as executor and obtain probate. Of course, as I have already remarked, unless this power is granted they cannot act as executors, because there is no instance of any corporation aggregate having acted as a trustee or executor. The 4th section provides that the company may obtain letters of administration and act as administrator. The 5th section enacts that persons entitled to probate may authorise the company to obtain administration with will annexed; that is, that a person, instead of taking upon himself the office of administrator, may delegate it to the company. By the 6th section it is provided that persons entitled to administration on intestacy may authorise the company to obtain administration in such estate. In the 7th clause there is a provision for the saving of rights of other persons to obtain probate or administration. The 8th clause enables the court to act upon the affidavit of the manager, acting manager, or any two of the directors in application for probate or administration. The 9th clause makes the assets of the company liable for the proper administration of estates, and provides that no bond is to be required when the paid-up capital is £20,000, of which £10,000 shall be invested in Government securities in Queensland. I propose, when the Bill gets into committee, to substitute the word "may" for the word "shall," in the 4th line of the clause, in the sentence which reads "that upon the order of the court, or of a judge thereof, the said liability of the capital and assets of the company shall be deemed, in the case of letters of administration granted to the company, to be sufficient security." It will then read that such assets "may" be deemed sufficient security, so that the proposed amendment will put it in the discretion of the court to call for further security if they think the £10,000 deposit in the hands of the Colonial Treasurer not sufficient guarantee for the due performance of the office. The 10th clause provides that the company may be appointed trustee, receiver, committee, or guardian of estate under the Insanity Act. I propose to move a similar amendment in that clause, with reference to the security, as I have indicated with regard to clause 9. By the 11th clause the company may act under power of attorney by the manager, acting manager, secretary, or two directors. The 12th clause provides that the company may be appointed to act as temporary executor, administrator, or trustee, and at the end of the clause the select committee proposed to add the following proviso:—

Provided always that nothing in the section contained shall authorise the delegation to the company of any trust or favour which may not be by law delegated to a private individual.

The 13th section provides that executors, administrators, trustees, receivers, and guardians may appoint the company to discharge duties for them. The 14th clause provides for application for consent to be made by motion, and the 15th clause says that the manager, or acting manager, or secretary may attend on behalf of the company, and directors and manager, and acting manager or secretary shall be personally responsible to the court. The 16th clause is the main clause of the Bill so far as the company is concerned, and says that the company is to be paid a commission on moneys received, and goes on to say :—

"Such commission shall be payable out of the moneys or property committed to the management of the company, and shall be received and accepted by the company as a full recompense and remuneration to the company for acting as such executor, administrator, trustee, receiver, committee, trustee in insolvency, guardian of any infant or lunatic, sole guarantor or surety or attorney as aforesaid, and no other charges beyond the said commission and the money so expended by the company shall be made by the company.

"If in any case the court or judge thereof shall be of opinion that such commission is excessive, it shall be competent for such court or judge to review and reduce the rate of such commission.

"Provided that the commission to be charged by the company shall not exceed in each estate the amount of the published scale of charges of the company at the time when such estate was committed to the company.

"This enactment shall not prevent the payment of any commission directed by a testator in his will in lieu of the commission hereinbefore mentioned."

The 17th clause provides for the removal of the company from office by the court, and makes provision for relief against the company or directors. The 18th clause is an embodiment of one of the rules of the Supreme Court, and says :—

"Whenever probate or letters of administration shall be granted to the company, the company shall, within six calendar months next following, exhibit and cause to be filed in the office of the Registrar of the Supreme Court a full, true, and perfect inventory of the goods, chattels, and credits of the deceased, and shall, within fifteen months after having obtained such probate or administration, cause to be made and filed in the same office a full, true, and just account of its administration, which account shall be passed before a judge of the court.

"If default is made in compliance with the provisions of this section the company shall be liable to a penalty of five pounds for every day while such default continues, and every director and manager of the company who knowingly and wilfully authorises and permits such default, shall incur the like penalty."

I think that is one of the great safeguards that persons who employ the company have that they are bound to disclose the administration within that time. Then clause 19 deals with order for account on application of trustee, *cestui que trust*, etc. ; and the 20th clause says that the Supreme Court may order audit in any estate committed to the company. The 21st clause provides that the voluntary winding-up of the company, or disposal of shares, may be restrained by the Supreme Court or by a judge ; and the 22nd clause deals with the number of shares that may be held by any one person, the directors' liability, and that the capital is to be in £1 shares, and not to be reduced. Clause 23 says :—

"All moneys which form part of any estate of which at any time the company shall be executor, administrator, trustee, receiver, or committee, or which form part of any insolvent estate or estate in liquidation of which at any time the company shall be trustee in insolvency, and which moneys shall remain unclaimed by the person entitled to the same for a period of five years after the time when the same shall have become payable to such person, except where payment has been or shall be restrained by the injunction of some court of competent jurisdiction, shall be paid by the company to the Treasurer of the colony, to be placed to the credit of a fund to be called the 'Testamentary and Trust Fund,' distinguishing the particular estates in respect of which such moneys shall have been paid, and such moneys shall bear interest at the rate of three pounds per centum per annum until invested as herein directed."

* * * * *

"The company shall at the end of every six months deliver to the Treasurer a statement of all such unclaimed moneys which during the preceding six months shall have been in its hands, and distinguishing the several estates in respect of which the same have been received, and setting out the dates and amounts of the several payments of the same under this section, and if the said moneys or any part thereof have not been paid to the Treasurer, stating the reason for the delay of such payments.

"If default is made in compliance with the foregoing provisions of this section the company shall be liable to a penalty not exceeding five pounds for every day while such default continues, and every director and manager of the company who knowingly and wilfully authorises or permits such default shall incur the like penalty."

Clause 24 says, "Persons entitled to moneys in 'Testamentary and Trust Fund' may apply to the Supreme Court or judge within six years ;" and the 26th says :—

"The manager or acting manager or secretary or directors of the company shall, during the months of January and July in every year during which the company carries on business, make before some justice a declaration in the form contained in the schedule hereto, or as near thereto as circumstances will admit, and a copy of such declaration shall be put up in a conspicuous place in the registered office of the company, and in every branch office or place where the business of the company is carried on, and shall be given to any member or creditor of the company who applies for the same."

And then there is a penalty. The 27th clause provides that the Act is not to preclude other companies from applying for similar powers to those conferred by the Act ; and the 28th provides that testators may appoint their own solicitors. At the present time testators ask their solicitors very often to act as one of the executors, and when the solicitors consent, unless there is a provision in the will authorising the solicitors to act as solicitors to the trust and make charges, they cannot do so. But it is not a good thing for solicitors to get appointed as executors and also solicitors to the estate, because their interests will conflict. It is not a position that I like to be placed in myself, because a solicitor wants to be paid for his labour, and has to pay himself. This clause gets rid of the difficulty. I am certain that most solicitors will recommend their clients to appoint some company to act as executors of wills, and then perhaps get themselves appointed as solicitors. The only remaining clause is the 29th, which provides :—

"Excepting so far as is herein expressly provided, the company shall remain and be subject to the same restrictions, liabilities, penalties, privileges, and powers as it is subject to under its present incorporation, and this Act shall not otherwise affect the incorporation of the company."

I beg to move that the Bill be now read a second time.

The COLONIAL SECRETARY said : Mr. Speaker,—I must admit that I look with very grave anxiety to this, apparently, crop of executors and trustee companies which are coming before the public in such rapid succession. On our business paper I notice that the 1st and 3rd Orders of the Day are "Australasian Natives' Trustees, Executors, and Agency Company, Limited, Bill—second reading," and "Queensland Permanent Trustee, Executor, and Finance Agency Company, Limited, Bill—second reading." Well, no doubt there may be good and sufficient reasons for these, but, as I said before, I look upon them with very considerable and grave anxiety. I think that the speculative mania is going too far when it is intended to deal with the money of dead men for speculative and trading purposes.

HONOURABLE MEMBERS : No.

The COLONIAL SECRETARY : I think it is a matter to be regretted also that the articles of association of this, or of any other company, when a Bill is applied for, are not attached to the Bill. Now, as I understand—and I am open to correction—it is intended to deal with the money that may fall into the hands of this trustee and executor company for money-lending purposes. Well, I think that is a speculative purpose, and I think I am right in taking exception to a Bill of this sort passing; dealing as it does with such an important subject without very serious consideration, and very serious discussion. Speaking generally on the matter, I do not believe in the powers contained in this measure, or in any other measure of a similar character. A similar measure introduced last year resulted in defeat, being negatived without a division, and I do not believe in the public being induced, under apparently proper, and, no doubt, at the present time proper conditions, to make a certain company their executors. But those conditions are altered when you come to have to deal with the directors of a public company. No doubt, at the initiation of those companies, you will find that the directors are men of first-class character, ability, and talent, and in every way reputable men, but the directing body of a joint stock company is not a fixed body; directors die as well as other people, the feelings of shareholders change, and another directorate may be appointed. In the case of joint stock companies like this you have a movable quantity—that is, continually moving, and further than that, we find that in most of these companies the amount of capital that is paid up is relatively very small compared to the enormous responsibilities that are accepted—apparently readily accepted by these companies. With regard to this particular company, I will call attention to the very pertinent questions put to one of the witnesses before the Select Committee by the hon. member for Warwick, Mr. Morgan :—

"By Mr. Morgan: The capital of the company is nominally £500,000, Mr. Box? Nominally £500,000.

"Of that you have subscribed £136,000? £136,595.

"And £27,000 is paid up? £27,397 10s.

"You ask for power to act as administrators? Yes.

"Under the present laws have all administrators to furnish security to the extent of double the value of the estate? Yes; I believe they have."

I believe Mr. Box was wrong in that answer.

"Suppose this company were entrusted with the administration of an estate the value of which was £300,000 or £400,000; how would you get over that?—By the judge allowing you to give a guarantee? The company, whenever it starts—if it starts to-morrow—will have a paid-up capital of £27,397 10s, and an uncalled capital of £109,276, with the right to issue shares for a further sum of £350,000."

That may be an element of value, or it may not; it all depends upon the success of the undertaking.

"I will put it in another way :—Suppose an estate of £500,000 or £1,000,000, how would you provide security to double that amount when the whole of your capital would not be equal to it? If you grant us the Bill that we have now before Parliament, the only bond proposed by it is £10,000 in Victoria, and £10,000 in Queensland, and the uncalled capital.

"That is the security you propose to offer? That is the security we propose to offer."

It seems to me an absurdity to imagine for one moment that it would be proper that any company, I do not care what it is, should be allowed to deal with estates of £500,000 or £1,000,000 on the lines laid down by Mr. Box. I wish to call the attention of the House particularly to this: That this Bill actually gives power to a company to deal with the money of dead men.

Mr. REES R. JONES: No.

The COLONIAL SECRETARY: I say yes. If the hon. gentleman will lend me the articles of association I can show it. The words are: "To negotiate loans of all descriptions."

Mr. REES R. JONES: It is their own money.

The COLONIAL SECRETARY: The hon. gentleman says it is their own money. How is it their own money? We know perfectly well that the only remuneration contained in the Bill is 5 per cent. That is the maximum to be allowed, and yet we know the enormous dividends that have been declared by these trustees and executors companies.

Mr. GROOM: Thirty per cent.

The COLONIAL SECRETARY: As high as 30 per cent. Where has that been obtained from?

Mr. REES R. JONES: From the commission received from the estates.

The COLONIAL SECRETARY: The hon. gentleman may tell me that, but, with all due deference to him, I do not believe it.

An HONOURABLE MEMBER: From other sources.

The COLONIAL SECRETARY: Yes; from the investment of sums of money that have fallen into the hands of these trustees, and which they, no doubt, think are properly invested, and probably are properly invested, and may declare an honest dividend. These are facts which the hon. gentleman cannot dispute. Of course one argument will be used, and in its way it is a very strong argument, I admit at once—that it is not compulsory upon any person to appoint any of these trustees and executors companies as their executors. But, on the other hand, what will happen will be this, according to my idea: That we shall find these companies running one another in the same way that we find insurance companies doing now, so that, in place of it being a case of running after one's life, it will be running after one's death. We shall find these companies competing with one another for business. I do not want to be a prophet of evil, Mr. Speaker, but I have thought this matter out very carefully, and I can see as clearly as I can out of that window that, if these things are allowed to go on, it will lead to the greatest crash and catastrophe that has ever taken place in the world, and with even more awful results; because we must bear in mind that should any disaster occur in connection with one of these offices it will be the widow and orphan who will suffer—not the grown man, but helpless widows and orphans. I, therefore, think we should be doubly careful in allowing such large powers to any company. I hold further, Mr. Speaker, that this Bill is very weak in guarding the interests of legatees whose estates may be worked by these companies. If we are to pass measures of this kind into law—and I suppose the tendency of public opinion is in favour of passing them—I hold that there should be some power vested in the Government to have the accounts of these companies as carefully audited as the accounts of the State are. We know the trouble that has taken place in Great Britain with reference to many friendly societies, and the great losses sustained, not only there, but in some of the neighbouring colonies. I, therefore, think a measure of this sort should not be allowed to pass unless safeguarded in the direction I have indicated. I hope, if it becomes law, that such a clause will be inserted. A return of the kind could be easily furnished by these companies, at any rate every twelve months; it would be better if it were every six months. At any rate there should be the most careful scrutiny made into their accounts.

An HONOURABLE MEMBER: It is provided for in the Bill.

The COLONIAL SECRETARY: It is not altogether provided for in the Bill. It is provided that an audit may be ordered by the Supreme Court, but that is a perfunctory way of dealing with the matter. Some section of the department should be appointed to investigate these accounts, and to do so at the cost of the companies, not at the cost of the State; and a most searching, rigid investigation it should be. These are briefly my objections to this measure. I look upon it as one that may be fraught with great danger to the colony, and holding those views—I believe in opposition to a majority of the members of this House—I think I should be failing in my duty if I did not express them.

The HON. SIR S. W. GRIFFITH said: Mr. Speaker,—A Bill of this kind was brought in last year, and, as the hon. the Colonial Secretary has said, it was then negatived without division. On that occasion exception was taken to it on both sides of the House. I objected to it, so did the hon. gentleman who is now Colonial Secretary and was then leader of the Opposition, whose objections were very similar to those he has urged to-day. That, however, was a Company incorporated in Queensland and, at least, under our own supervision and under the jurisdiction of the Supreme Court. I pointed out then, as the hon. the Colonial Secretary has now, that very great risks are run by entrusting estates of large magnitude to companies possessing very small capital and with a fluctuating and uncertain liability. In that Bill it was proposed that only one-half the capital should be allowed to be paid up, so that there should be a reserve liability, on the part of the shareholders, to the extent of half the amount of their shares, and the company being incorporated in Queensland, the liability would have been a substantial one so long as the shareholders were substantial persons. But under the conditions of this Bill a man can get rid of all his liabilities by simply transferring his shares to a man of straw, and twelve months afterwards he is absolutely free from any liability. Last year I said that in my opinion a company of the sort ought to have unlimited liability, and that any liability incurred by the company should attach to every man who was a member of the company at the time it was incurred instead of his being allowed to get rid of his liability by simply selling his shares. I believe that would be a very sound rule. It may be desirable that companies of this sort should be formed, but the Companies Acts now in force were not framed for any such purpose, nor is the scheme of those Acts, allowing men to transfer their shares to get rid of their liability, applicable to anything of this sort. Of course a man need not deal with a joint-stock company unless he likes, but if he does he takes the consequences; he knows he is dealing with a company and has not an unlimited liability to fall back upon. By this Bill it is proposed that an executor, being tired of his business, may hand it over to somebody else—namely, to the company. It does not say even with the consent of the court. I think this would be a very serious thing, unless the company was selected by the testator himself, in which case he would know that he was disposing of his property in such a way that it would be quite uncertain whether his children got it or not. Then it might be said that that is his own lookout. But to allow anybody else but the testator to hand over the control of his estate to what may be an entirely irresponsible corporation is a very serious thing indeed. I maintain that there should be a substantial reserve, a substantial liability which would protect the individual. The only security which is practically given by this Bill is the sum of £10,000 vested in the Treasurer. What is the satisfaction of saying that the directors are men of eminent respectability? They will not always be the directors, and if the company becomes a losing concern they will, as other directors have done, get out of it with all possible speed.

Mr. REES R. JONES: They are liable for two years afterwards.

The HON. SIR S. W. GRIFFITH: I do not suppose the losses will be incurred in the first two or three years. But we do not know anything about the constitution of this company. They are not in any way amenable to the jurisdiction of the Supreme Court here. They are absolutely a foreign company.

Mr. REES R. JONES: The company is registered here.

The HON. SIR S. W. GRIFFITH: That only gives it a right to hold land in Queensland, and to carry on business. It does not in any way subject it to the jurisdiction of the Supreme Court; that is, it does not subject the shareholders who do not happen to live in Queensland to the jurisdiction of the Supreme Court. We do not know how many shareholders there are in Queensland. It is said that 36,000 shares have been taken up here. There may be that number now; but it may be 10,000 to-morrow and 1,000 a year hence. We have no control over that. By whom were the directors appointed? By the shareholders of Queensland, or by the shareholders of Victoria? We know nothing whatever about that. I think that if powers of this kind are to be given they should only be given to companies who are amenable to the jurisdiction of the Supreme Court of the colony. The court will not grant administration of an estate to a man outside the colony, except very rarely, in a case where a testator has himself selected a man knowing that he lives out of the colony. The court sometimes gives effect to his wishes, but when it devolves upon the court to select a person to administer an estate, or to act as trustee for any person, they do not, except under extraordinary circumstances, appoint any person who is not within their jurisdiction. They do that for very obvious reasons. Practically, therefore, the only control the court will have is over this sum of £10,000; and that is to be considered sufficient security for administering estates to the extent of hundreds of thousands of pounds. I doubt, unless the Bill is made compulsory, whether the Supreme Court would grant administration under it in any case, in the exercise of their discretion, there being only such security as is proposed here. Under these circumstances we ought to pause and consider the matter very carefully before we make what is certainly a great innovation. I am not afraid of an innovation, but what I do fear is that this has not been thoroughly considered. The conditions of the Joint Stock Companies Act were meant to apply to an entirely different set of circumstances. A banking company cannot limit its liability for its bank notes. But in the case of this company it will have practically very little assets, and the individual members of the company, upon whom any loss should ultimately fall, do not reside within the jurisdiction of the court. If anything happens they must go to Melbourne and get the company wound up.

The POSTMASTER-GENERAL (Hon. J. Donaldson): There are 36,000 shares subscribed for in Queensland.

The HON. SIR S. W. GRIFFITH: We do not know who the shareholders are, and there is no reason why they should not sell every share

to-morrow. It is a Melbourne company, and whether it could be wound up in this colony is quite uncertain. Moneys held for investment would not be assets of the company. If the officers of the company make bad investments, or if they are guilty of misconduct, those losses will, of course, fall upon the unfortunate beneficiaries. I am sorry to be obliged to oppose this Bill in the way I have done. Some of the objection I have urged against it applies with almost equal force to the other similar Bill on the paper. In that, however, I observe that the select committee have addressed themselves with a great deal of care to the subject, and have made some very important amendments, with the view of protecting persons dealing with the company, which are not to be found in the Bill under consideration. But the chief objection I take to this Bill is, that under the laws we have at present, this company is not, and cannot be, under the jurisdiction of the courts of this colony. I believe it would be very desirable, seeing we are dealing with a new subject, to treat it as a whole. In America, and I believe in Great Britain, they will not allow foreign insurance companies to carry on business there without a substantial deposit. There ought to be some general law of that kind. What in this case would be a substantial deposit I do not know. In the case of an insurance company, of course a man chooses his own company, but the scheme of this Bill is to allow things to be done without the supervision of the court, and without the consent of the testator or the intestate person. I think we should do nothing to allow these great powers in dealing with money to be held by people who are not subject to the jurisdiction of our own courts. It may be said that they will be subject to the Victorian courts, but it is not convenient for widows and orphans to go to Victoria to settle their affairs. I confess I have grave objections to this scheme, and it appears to me to be too important a matter to justify this House in passing it without very serious consideration.

Mr. HODGKINSON said: Mr. Speaker,—There is one point in the evidence given by the Hon. W. D. Box with regard to the financial position of the company. He was asked by the chairman :—

"Can you give the Committee an idea of the financial position of the company at present? Yes; 136,595 shares are subscribed for; £27,397 10s. is at present paid up; the uncalled capital, but subscribed, is £109,276."

I think the leader of the Opposition has shown that nothing more can be depended upon than the actual amount in the hands of the company. Then here is another very pertinent question in the same inquiry.

"Suppose this company were entrusted with the administration of an estate the value of which was £300,000 or £400,000; how would you get over that?—By the judge allowing you to give a guarantee? The company, whenever it starts—if it starts to-morrow—will have a paid-up capital of £27,397 10s., and an uncalled capital of £109,276, with the right to issue shares for a further sum of £350,000."

The question of these shares being issued would bear upon the financial position of the company. Of course, there is one company in Victoria, called the Union Trustees Company, in which 20s. per share is actually subscribed, and the market price of those shares is 215s., but that was one of the first companies started, and it has been unusually prosperous. With regard to the security the company will have to offer in the event of large estates of £300,000 or £400,000 being administered by them, I find the following in the evidence :—

"I will put it in another way :—Suppose an estate of £500,000 or £1,000,000, how would you provide security to double that amount when the whole of your capital would not be equal to it? If you grant us the Bill that we have now before Parliament, the only bond proposed by it is £10,000 in Victoria, and £10,000 in Queensland, and the uncalled capital."

So that if they administered such large estates as £300,000 or £400,000, of which there is no deficiency in this colony, the only practical security is £10,000 in Queensland, £10,000 in Victoria, and the uncalled capital. The legal aspect of the security in Queensland has been dwelt upon by the leader of the Opposition, who is competent to deal with that question; but under no circumstances does this company appear to do more than find £10,000 in Queensland, and it is doubtful whether that sum can be acted upon by any lever that can be applied by a client in this colony. I have no doubt the company may be framed on very good lines, but it appears to me to be framed chiefly for the benefit of the shareholders, and not of the clients.

The POSTMASTER-GENERAL said: Mr. Speaker,—If a measure of this sort had not been previously introduced in the other colonies, and was being brought before this Legislature for the first time, I could understand some of the objections that have been taken to it; but as it has already been tried in other colonies and proved to be very successful, I think the objections are hardly sustained. It has proved to be very successful in Victoria. Let me point out a case where a need exists for a Bill of this kind. It often happens that in these colonies numbers of persons are fortunate enough to make their own way in the world, and accumulate considerable fortunes. Very frequently they have not the good fortune to make friendships of such a nature that, when they feel their end drawing nigh, they would care to entrust those friends with the administration of their affairs after their death. Hence the necessity for establishing some company, when you cannot get individuals to act for you. Now, the way letters of administration had to be taken out in some estates was a crying disgrace in Victoria only a few years ago, and I can speak of two cases from my own knowledge where "Money" Millar was paid £1,500 and £1,000, respectively, for signing letters of administration for which he held all the security, and tied up the property till it was disposed of. He did not incur the slightest risk. Now, what was the reason of that? It was just this—that, unfortunately, the friends of the deceased were not in a position to give the required bonds to the court, and they had to fall back upon Mr. "Money" Millar to give the bond, for which in the one estate he received £1,500, and in the other about £1,000. Cases of that kind show the necessity for having a Bill of this kind—where the powers can be handed over to persons who will not die. The directors may die or resign, but you can easily appoint others in their places, and so it goes on for all time.

The COLONIAL SECRETARY: The company may break.

The POSTMASTER-GENERAL: The Colonial Secretary says the company may break, but so may executors. It is only within the last few months that some friends of mine lost about £40,000 through the dishonesty of an executor, and that is not the only case that has occurred in these colonies. It is of frequent occurrence. I know of more cases than that, but this one happened within the last few months, and £40,000 were filched by the executor. And does that not happen frequently? Is not there very much greater safety when you have a number of persons to deal with—the directors and the manager—than when you have only one person to deal with? In administering an estate is there not a greater chance of honesty with companies than with individuals? Many of the executors appointed by persons who trust them after their

deaths, have misappropriated the property in their care; but I do not think we can point to many instances of public companies having misappropriated funds, or acted wrongly with regard to those funds. I can understand the Colonial Secretary's objection to this measure, because I know he has had a very large experience of administering estates in this colony, and I believe there is no person in the colony who would be more trusted, and is more worthy of trust, than he is, though he urges certain objections to trusting companies; but the same objection exists with regard to individuals, and I am sure if the same feeling existed towards himself, he would not be executor to as many estates as he is to-day. I think he is almost a universal executor in Queensland, and, I believe, at the same time, a very proper one; but I think his objection to the company is, that it is likely to trench upon his own ground. I certainly cannot agree with the objection raised with regard to directors who may be trusted evidently now, but in a few years objectionable ones may be appointed in their place. The same objection can be raised with regard to a bank.

The HON. SIR S. W. GRIFFITH: People can draw their money out of a bank.

The POSTMASTER-GENERAL: The hon. gentleman says people can draw their money out of a bank. Very likely they can, but they cannot sell their shares, perhaps, at the same price.

The HON. SIR S. W. GRIFFITH: It is not a question of shareholders.

The POSTMASTER-GENERAL: The hon. gentleman does not surely think that the shareholders do not take sufficient interest in a bank to see that respectable directors are appointed, in the event of one or more dying or resigning. The very same thing would apply to this institution. It is to the interest of a bank to see that there are good directors, because without them they would not have public confidence, and without public confidence there is very little chance of this company being a success. I think nearly all companies, from banks downwards, are most jealous of the persons they appoint to the position of directors. I am sure the same rule would apply in regard to the directors of a company of this kind. Of course the objection has been raised that the security that this company can offer in the colony is not sufficiently large. Well, increase that amount. The amount proposed in the Bill is £10,000, the same as that given in Victoria. I have not the slightest objection to raise the security to £20,000.

The MINISTER FOR MINES AND WORKS: We can make it £100,000.

The POSTMASTER-GENERAL: We can make it £100,000. I am not particular about the limit.

The HON. SIR S. W. GRIFFITH: The company would not pay then.

The POSTMASTER-GENERAL: If it is the idea of hon. members to propose such conditions that the company would not pay, I do not give them much credit for that desire. I do not think that would be acting rightly. The shareholders are like the shareholders of any other company. They want to get into an investment that will pay. They do not ask for anything unreasonable, but if the security mentioned in the Bill is not sufficient, it is quite within the province of this House to increase the amount. We can increase the amount so as to give as good a financial security as can be given by any ordinary executor. At all events it will be to the interest of the shareholders to see that the directors of the company for all time are as good as can be obtained in ordinary cases. I have pointed out already the great difficulty that arises in these colonies. Men have carved out their own fortunes, and when they find they are coming to an end they see that they have not formed friends of such a nature that they are willing to appoint them as executors to look after their affairs after their death. Two or three cases of the kind have come under my own knowledge in Victoria. I remember one case where a man died worth £150,000, and although he had a large number of acquaintances—I cannot call them friends, but neighbours he had lived among for some thirty years—rather than trust them with the administration of his estate after his death, he appointed a company of this character in Victoria to act as his executors. Now, in respect to the investment of funds, I certainly do not hold with the remarks made by the Hon. Colonial Secretary. He said this company would speculate with the funds invested with them. If he had only thought for one moment, he would have seen that he was wrong. It is the duty of the directors of this company to invest the funds properly belonging to others in a way most desirable to themselves to make it profitable. But any funds that may be entrusted to them should be invested in a very safe security. They certainly should either lend the money upon first-class mortgages, or in some other way that will insure its safety. It is idle to say that the large profits made by companies of this nature in the South are from the profitable investment of the funds of deceased persons. They only receive their commission, nothing more than that; and, of course, the larger the amount of money placed in their hands the larger will be their receipts. It is not profit from the investment of funds, because if they lend money at 5, 6, or 7 per cent., that amount has to be handed over to the estate of the deceased. And then there was the objection raised just now in regard to insurance companies. That was another remark made by the Colonial Secretary. In connection with life insurance companies, how many of them have failed in these colonies? And are they not now on a safer basis, and supposed to be safer than ever they have been at any previous time in the history of the colony. The A. M. P. Society, I am sure, is more highly thought of to-day than in any previous portion of its history, and the same remark will apply to two or three other colonial offices we have here. Year by year their business is increasing, notwithstanding the great amount of "touting" for lives, and the reduction that has taken place during the last few years in the rates. I believe they are carried on now upon as safe a basis as ever they were in any previous portion of their history. Therefore, there is not the slightest danger in regard to the competition that may arise from two or more of these companies being established in the colony. One would almost imagine from the last argument that has been raised, that the estates would fall into the hands of these companies without the testator having any voice in the matter, or any desire to appoint them. They will not have the administering of these estates, or the looking after of their affairs, unless they are appointed to do so.

The HON. SIR S. W. GRIFFITH: By whom?

The POSTMASTER-GENERAL: By the deceased, prior to his death, in nearly all cases.

The HON. SIR S. W. GRIFFITH: That is not the effect of the Bill.

The POSTMASTER-GENERAL: There are one or two provisions in the Bill, giving power to other persons to appoint them, but alterations can be made there. I will continue my argument in regard to persons who voluntarily make

these companies their executors. I am sure they will be quite as safe in doing that as they are in the majority of cases in appointing any individuals for the purpose. They do it with their eyes open. They know who the directors are at the time they make their wills, and have reason to believe that the company will be carried on on the same sound footing as all other financial institutions in the colonies are, because it is to the interest of the shareholders to see that good men are put upon the directorate. And there is not half the chance for fraud that there is in the appointment of single individuals. A man may appoint two or three individuals his executors, and the chances are that one of them renounces, another one may be in another colony, and so the whole of the affairs of the deceased have to be administered by one individual. The temptation in many cases is very great; and I am certain that if we could get at the inward working of many investments, we would find that many large sums of money in these colonies have been misappropriated, and that it was only through some fortunate turn of the tide that there have not been some great losses to families. Through fortunate investments many executors have been able to pull themselves out of the fire. Take the case of the late Mr. Ambrose Kyte, in Melbourne, some time ago. He was almost a universal executor, and was looked upon as being one of the wealthiest men in Australia; but all at once that man came down from the high position that he held financially, and it was found then that he had misappropriated the trust funds of a great number of persons. This knowledge became public property, otherwise I would not have mentioned the name of a person who is now dead. It is known in all the colonies, and, therefore, I am not giving it much more publicity than has already been given to the matter. There have been other cases which have come within my knowledge of a similar character in which many persons have been defrauded; but the names have not been divulged, and I should be very sorry to be the first to do it here. Anxiety has been felt by a large number of people in the different colonies as to whom they could appoint to administer their affairs after their deaths. One of the great advantages of having a company of this kind would be that it never dies, it is always going on, and there would be no matter of sentiment about it. People could be certain that in placing their affairs in the hands of a company such as this, their wishes would be carried out exactly according to their desire. Many wills are executed in such a way that widows and children do not seem to be treated reasonably, and frequently executors have gone out of their way and not carried out the will on the lines laid down. That is a matter of sentiment; but a man can make sure of his will being carried out by one of these companies exactly in the way he wishes, according to law and without any sentiment whatever. That, I believe, will give persons very great confidence that their estates will be looked after in the way they wish. With regard to the capital of the company, if the capital is not sufficient it can be increased. Only 4s. per share has been called up as yet, and the directors can call up 20s. per share if they wish.

The HON. SIR S. W. GRIFFITH: The less they call up the better.

The POSTMASTER-GENERAL: That is looking at it from the point of view from which I do not look at it. The hon. gentleman says that the less they call up the better, meaning that the profits of the company will then be greater.

The HON. SIR S. W. GRIFFITH: No; it is because there will be a larger reserve liability.

The POSTMASTER-GENERAL: The hon gentleman said just now that the shares might be held by persons in another colony where the court could not get at them; but if a large amount were called up and invested in Government securities in this colony it might give greater confidence to persons who might consider the company too weak. That was the argument to which I was coming when the hon. member interrupted me. It was for the House to say how, and how much, money should be invested to give some security in regard to the funds that might be entrusted to their administration. I own that it is a serious objection that persons may dispose of their shares to people in other colonies beyond the jurisdiction of our Supreme Court; but I wish to point out that 50,000 shares have been allotted to this colony, that 36,000 or thereabouts have been already subscribed, and that in all probability the balance will be subscribed before long. It is within the powers of the directors to call up 20s. per share, and it is within the power of this House to say how much should be invested, and how it should be invested, in this colony as security. I think that meets some of the objections that have been raised with regard to the security of the company. It is not a matter of experiment; it has already proved a good investment, and a very safe one; and my experience gives me every confidence in believing that the company will work on the same lines here as in the other colonies. It will save a great number of persons from the performance of onerous duties as executors. I yield to no man in the desire to see that the estates of deceased persons are perfectly looked after, and widows and orphans properly protected. I believe firmly that if the Bill is passed the administration of estates of deceased persons will be as well looked after by the directors as by the best of executors.

Mr. BARLOW said: Mr. Speaker,—There appears to be no bounds to the credulity of mankind. Almost any company or any individual who can get a brass plate and a painted window can obtain control of large sums of money and do things which appear almost impossible. I may say that I am very glad, on this occasion, to be entirely in accord with the Colonial Secretary.

The POSTMASTER-GENERAL: That is his misfortune.

Mr. BARLOW: I do not often have that pleasure, but on this occasion my views are in accordance with those he has expressed. That a company with a paid-up capital of £27,000, and a sum of £10,000 invested in Government debentures, should be allowed unlimited license, as the Colonial Secretary so cleverly put it, to hunt through the colony for all the deaths they can find, is to my mind out of the question. If I had not reason to presume to the contrary I should imagine that the hon. gentleman who last addressed the House must be in some way connected with the promotion of this company. His speech was so very strongly in its favour, enforcing all the points in favour of the Bill and leaving out all those against it, that it appeared to me to be almost the speech—if I am in order in using the expression—of a professional advocate. It is not for me to say that a gentleman whose name appears on the prospectus is the same gentleman who has just addressed the House on behalf of the Bill—I leave that for the public to find out. A most extraordinary power is this — that any executor or trustee may hand over his trust to this company. And it appears to me that the Bill goes a long way towards absolving the executor from all responsibility. I never heard of a delegated person being able to delegate his authority to anybody else, yet that is what this

Bill seems to be intended to provide. As to such a company being a profitable concern, undoubtedly it is to the shareholders. I see that in one case 20s. paid-up shares are quoted at 215s.

Mr. TOZER: That shows good administration.

Mr. BARLOW: It may show very good administration; but beyond that £10,000, as was pointed out by the leader of the Opposition, there is no control over the company in this colony, and that being so, there is a totally inadequate security that the company will carry out the wishes of testators in dealing with estates committed to them. It has been said, and enforced upon the House, that a person who makes his will is not obliged to appoint the company as his executor. But how many persons know anything about these affairs? It is very often the case in these colonies, that by the dispensation of providence, large sums of money come into the hands of illiterate people, and when those illiterate people see that an Act of Parliament has been passed to legalise the company, and see that gentlemen occupying high positions in the State are directors, they will jump to conclusions and appoint the company as executor without knowing anything whatever about it. It is not for me to enter into the legal question involved in the matter, because I am not competent to deal with that; but I think that the arguments of the Colonial Secretary and the leader of the Opposition are perfectly unanswerable, and that in the present state of affairs the Bill should not pass this House.

Mr. PAUL said: Mr. Speaker,—I hope that the House will, at any rate, allow the second reading to pass, so that the measure may be discussed in committee, and the objections raised by the Colonial Secretary and the leader of the Opposition dealt with. The leader of the Opposition said that there was no security whatever as to the responsibility of the company; but I can assure the hon. gentleman that I have seen the list of shareholders of the company, and I think that, without exception, they are about as substantial men as there are in the colony.

The HON. SIR S. W. GRIFFITH: Nobody doubts that. I said so.

Mr. PAUL: The hon. gentleman also said that the present shareholders might get rid of their shares and go to other colonies. But the same might be said with regard to any executor or trustee who might be appointed. The colonies are not like the old country, where people live years and years surrounded by friends who have been connected by ties, generation after generation, and where people have no difficulty in appointing personal friends as executors and trustees. In this new country the majority of us have very few family connections. We are scattered over the country. We are here to-day, and in a little while we are in the Northern territory, Western Australia, or somewhere else. A person appoints a friend whom he thinks will carry out the duty of an executor faithfully; but, in course of time, this person may go far away—to England or elsewhere—and then I suppose the court appoints someone to take his place; it might be a person with no interest whatever in the family, and it would be his object to realise the estate as soon as possible. He would probably work in conjunction with some auctioneer, or estate agent, to realise the estate and share the commission. These objections can be raised to the appointment of an individual executor just as well as to the appointment of the company. If this company is started here people will use the same amount of common sense in entrusting the company with their business as they do in the appointment of an individual trustee. They will probably ask themselves the question, "Is this company trustworthy?" in the same way that they ask themselves, "Is this individual trustworthy?" The hon. member for Balonne has anticipated some of the remarks I intended to make, but I will read to the House some quotations from a lecture delivered by Mr. Mortimer D. Malleson, before the Institute of Bankers, in London, in connection with trustee companies. Of course, in England they had none of these institutions at the time, and this was a lecture given to show the advantages of such institutions, and I believe it has been largely the means of their establishment at home. He says:—

"Now, I dare say that it is not very easy for the ordinary layman to appreciate distinctly and accurately the advantages which a trustee company may put itself into a position to offer as compared with an individual; but to those whose reading lies among law reports they have for many years been familiar. First of all, take the increased security for the funds which form the subject matter of the trust or other office; the law courts are painfully familiar with the class of cases in which trust funds have been wholly lost by the fraud or carelessness of trustees. Very frequently this is liable to happen because the trust fund has come to be held in the name of a single trustee, who misappropriates it. There is little probability that stock standing in the name of a corporation wholly and absolutely dependent for its prosperity on the confidence of the public would be misappropriated by itself, and the possibility of the thing is reduced to a minimum when the stock cannot be dealt with except on a transfer either signed by those directors (who would certainly never be less in number than three) in whose name the company would invest, or else sealed with the company's seal, affixed in the presence of its officers."

He then goes on to say:—

"As was remarked by a writer on this subject in the *Times* of 16th March, 1888:—'If companies are liable to deceive those who confide in them, so also are ignorant amateurs.'"

I shall not detain the House any longer, but I trust we shall pass the second reading of this Bill, and when we go into committee upon it, it may be so amended as to meet the objections which have been raised.

Mr. POWERS said: Mr. Speaker,—I have heard no objections raised to this Bill this afternoon which should cause the House to refuse its consent to the second reading. I think all the objections—and some of them are, perhaps, real objections—may be dealt with by the Committee, and the safeguards suggested may be carried out, where necessary, in considering the Bill in detail. We must all know that no security is now given where an executor is appointed. He is simply appointed as executor under a will, and he may renounce his position and thus pass it over to some other party who may be interested in the estate, and who cannot give sufficient security without going to great expense and difficulty to get administration of the estate. The chief point in the Bill is, that whilst executors need not now give any security, persons appointing this company as executors will have appointed executors who will give security. That is one step further on in dealing with these matters. Other parts of the Bill, which may not meet with the approval of the House, may be left out, or may be so amended in committee as to meet the views of hon. members. I take it that this House in committee will see that all proper safeguards are included in the Bill. As one of the members of a Select Committee on another Bill of a similar character, I may say I think there are certain amendments necessary to provide safeguards for the public; but I think the mover of the second reading of this Bill said that he intended to move an amendment in committee to provide that where letters of administration are applied for, the matter should be dealt with by the court, and the consent and approval of the court will

be necessary; and if it is further provided that the delegation of authority must be with the consent of the court, two of the greatest objections raised to the Bill will have been got over. If it is considered by the court that the company provides sufficient security, those important difficulties will be got over. Another thing is that the time has come when some such step as this must be taken. Private persons acting as executors and trustees, and knowing the liability and responsibility attaching to them, are beginning to find them rather irksome, and are determined not to accept such positions. The consequence is that we must fall back upon some such company, or financial institution, to take over the trusts now being refused by persons who have experienced the irksomeness and responsibility of these trusts. Again, I would point out that although this is an innovation, so far as Queensland is concerned we need not go to the House of Lords altogether to see whether it is an innovation that has been approved of there, because we have had it approved of in the colonial Parliaments. A measure of this kind has been passed in Victoria, New South Wales, Tasmania, New Zealand, South Australia, and it has also been passed in the United States, where it has worked well for many years. What does Mr. Phelps say with respect to the working of these companies in the United States? Since the remarks I intend to quote from him have been made, I believe Mr. Phelps has been appointed Chief Justice of the United States. He says, in a letter written to Lord Hobhouse:—

"Trust companies have been very successful in the United States, and have proved very useful. They transact a large business, and are reckoned among our soundest institutions. My opinion is strongly in favour of such institutions under proper restrictions."

Lord Herschell, in the debate upon the measure in the House of Lords, said:—

"This measure would, to some extent, meet a much-felt want, and if its provisions were carefully considered, might be of public service."

Lord Bramwell, who, everyone will admit, is an authority, says:—

"He believed that at present funds were more often wasted by improper investments under pressure from the *cestius que trustent* for the purpose of obtaining larger interest than from actual dishonesty. He sincerely hoped the Bill would pass into law."

Lord Hobhouse, in speaking on the subject, said:—

"The existing law, as to trustees, was such that there was discernible an ever-increasing unwillingness to undertake a trustee's responsibilities."

Those are authorities of the highest character.

The HON. SIR S. W. GRIFFITH: What was the nature of the Bill?

The COLONIAL SECRETARY: What was the nature of the provisions suggested?

Mr. POWERS: I think under the provisions of the Bill there £100,000 was to be the amount of the capital, but the company would have to deal with very much larger estates than are likely to be dealt with here; and I think £50,000 was to be the deposit. It was agreed there that the second reading of the Bill should be passed, and that the Bill should then be referred to a select committee. This Bill has been referred to a select committee, and their report, together with the evidence taken before them, is in the hands of hon. members. The evidence of those persons who know something about this subject shows that these institutions are necessary. We have the opinions of the high authorities I have referred to as to the advantages of such a measure and the establishment of such companies, and that under proper restrictions—and that is all anyone advocating the second reading of this Bill asks for—they can be made very useful, and will meet a public want. From my own experience I can certainly say that persons do not like to accept these trusts. They are often thrust upon them because of friendship, and are accepted very unwillingly, and in some cases they are simply refused. I believe that in committee we may so deal with this Bill that we would ourselves approve of the appointment of these companies as executors under such circumstances. The objections urged by the Colonial Secretary and the leader of the Opposition must, of course, have weight with this House, and I will shortly refer to one or two of them, and show that they may be overcome. The first is that the money may be used for speculative purposes, but any solicitor drawing a will appointing this company as executors will certainly define in the will on what property or security the money may be invested.

The COLONIAL SECRETARY: Who is going to watch him?

Mr. POWERS: The court will watch him. The court will always see that he carries out his duty as an executor properly. I do not think anyone will press the argument that these executor companies would invest their moneys for speculative purposes. If the directors of the company die there will be no further expense to the estate, as there would be in the case of the death of an executor, and that will be a saving, and is an argument in favour of the Bill. I consider that the small amount of capital called up is no objection, but, on the contrary, a protection. It is a protection because the large uncalled capital will be a security to those who may entrust their estates to the management of the company.

The HON. SIR S. W. GRIFFITH: This is a company outside the colony; it is established in Victoria.

Mr. POWERS: As far as the company being an outside company is concerned, the hon. member who introduced the Bill has already intimated that, when it goes into committee, he intends to move an amendment leaving to the court a discretion as to the amount of security that should be required. Therefore, although the company is outside the colony or not, if they are appointed executors in an estate, they will have to give such security as the Committee may approve, and, if the court is not satisfied that the security proposed to be given is sufficient, administration will not be granted. As to using the profits for purposes of speculation, we have had the information placed before us that, in Victoria this year, forty estates have passed through the hands of these companies, the value of them being £355,000. It can easily be seen from these figures that the profits of the companies must be considerable. It is on the commission they receive, not on their capital, that they make profits, and therefore their profits are made legitimate, and they can declare these large dividends. I take it that the greatest objection to the measure has really been raised by the leader of the Opposition in dealing with the question as to whether a company being registered outside the colony can give sufficient security. Testators will know what the company is when appointing them executors, and I take it that if they are appointed as administrators by the court the judges will see that sufficient security is given for administration. Under these circumstances I shall support the second reading of the Bill.

Mr. DRAKE said: Mr. Speaker,—It seems to me that this is a new subject coming before us, and probably sufficient information has not been placed before members of the House. I have

been of the opinion for a great number of years that it would be very desirable if there were somebody to whom persons could entrust the administration of their estates after their death, so as to avoid the risk of their children and widows losing money through defaulting executors. But all the arguments that have been put before the House with regard to the advantages that would accrue to testators, especially by the Postmaster-General, would apply with equal or greater force to the appointment of a Government department to administer estates. They also point to the conclusion that this is about the only way by which estates can be administered and an absolute guarantee given that they will be administered faithfully. I look at it from a different point of view. I look at it from this point of view: that a company which is clearly seeking to make gain is coming to the House and asking for certain powers. I therefore think the House is entitled to require very full information as to the constitution of the company and the way in which it would work. All the arguments adduced from the experience of other colonies are, if I mistake not, of recent date. All these institutions, at all events in Victoria, have been comparatively recently established, and we see from the evidence given by the Hon. W. D. Box, before the select committee, one instance in which shares paid-up to the amount of 20s. were quoted at 215s. in Melbourne. That shows that very large profits have been made by the company. The hon. gentleman said, unless I misunderstood him, that that profit has been made solely by the 2½ per cent. commission allowed on the estates.

The POSTMASTER-GENERAL: I said it was commission, but did not mention any amount.

Mr. DRAKE: If the hon. gentleman had not made that statement I should certainly have thought that these profits were made by land speculations, as we know that in Victoria for some time past there has been a regular speculative mania going on. I cannot see how a dividend to the extent of 30 per cent. could be made by these companies if they depended solely on the commissions they receive. If that is so, then it is evident that the commissions will bear reduction; but there is no probability, it seems to me, that these commissions will be reduced while these powerful companies are in existence whose interest it will always be to pay large dividends to the shareholders. But there is another thing to be borne in mind, and that is that the money entrusted to the companies—that is to say, the corpus of the estates—is invested in mortgages on real property. Now, during the time these companies have been in existence in Victoria, the prosperity of that colony has been constantly increasing. There has been a continual advance in the prosperity of that colony, and I do not think we can safely argue from these facts what might take place in this or other colonies if the country were at the time undergoing a period of reverse. It is all very well to say that the companies are prosperous and able to pay big dividends; but how would such a company, having large sums invested in mortgages on real property, have stood in this colony in such a period of reverse as that which occurred in 1886? Does the hon. gentleman say that nearly all the money invested in mortgages would not have been lost?

The POSTMASTER-GENERAL: The companies would be under proper control.

Mr. DRAKE: More control could certainly be kept over executors than over a company of this kind.

The COLONIAL SECRETARY: What control?

Mr. DRAKE: The control of the court. But, as has been pointed out, this company is actually a foreign company over which the court will have no control. I think the House should have more information upon this subject before we pass the Bill. We have not even got the articles of association of the company.

The POSTMASTER-GENERAL: They are in the House.

Mr. DRAKE: I have not seen them, and I certainly think they should be considered by hon. members before we are asked to agree to the second reading of this Bill.

Mr. TOZER said: Mr. Speaker,—As one of the members sitting on this side of the House, I should like to make a few observations on this Bill, particularly as I was one of those who took some little trouble as a member of the select committee appointed to consider and report upon another similar Bill. I intend, in consequence of the information I received there, and the knowledge I possessed before of the working of these companies, to give my most cordial support to the second reading of the Bill; and I trust this House will not be influenced by the objections which have been offered against the measure, many of which are really on the surface. The real question in this matter is, does the House see that proper safeguards can be given by this company for trust moneys? That is really the only question. I think everybody must be compelled to admit this proposition—namely, that the present state of affairs is unsatisfactory. Nobody doubts that. From a long experience I can unhesitatingly say that it is one of the most difficult matters in this colony to get proper trustees and proper executors. You put moral pressure on many to act, and that moral pressure ceases when death arrives. When a person dies circumstances may prevent them from continuing to act as the testator would have wished. They have their business to do, and many men cannot afford to give long and continued service to looking after the affairs of others. Generally speaking, in this colony, a man has quite sufficient to do to look after his own affairs, and so it is that it becomes necessary for companies of this sort to enter into business—not solely for profit, for I believe these companies were started originally by philanthropic persons in other places.

The COLONIAL SECRETARY: That is too thin.

Mr. TOZER: I have had the opportunity lately of hearing that very statement made in the House of Lords by the Lord Chancellor, and I may be pardoned for repeating the observation made by him. I have had some little experience in these matters, because I have occupied a rather difficult position in connection with a trust estate. I desired to get the best information on this question, and, having a little leisure, I went and heard a discussion upon a somewhat similar Bill in the House of Lords, and there I heard not only the opinion of the present Lord Chancellor, but the opinion of the late one, Lord Herschell. That discussion satisfied me that there was a crying necessity for a Bill of this kind, in the interests of the public, not so much to give persons an opportunity of making profit, but that the public should have more protection against what has often turned out to be in the case both of executors and orphans and widows a serious loss to both parties. Now, sir, the only question that arises in connection with these companies—and I have studied this in connection with the matter which was brought before me—is, do these companies offer better protection to the public than is offered at the present time? I think they do, and I will show you why. At the present time a person appointed as executor has

to give no security whatever. He may renounce, and if he renounces, somebody who has never been in touch with the testator may take up and get administration with the will annexed, so that it is quite on the cards that the person whom the testator wishes to take out administration of his estate may never do so. I find that the only thing these companies ask for is the removal of a disability. The only disability that they are under is that they are not allowed by the present state of the law to make a charge for their work, and you cannot expect companies, like individuals who act from sentiment mostly, to work for nothing. Now, I find that corporations something like this are acting in England at the present time without parliamentary authority. What is to stop them? You can now, if you like, appoint the manager or any of the officials of this or any other company registered in the colony your executor. There is nothing to prevent them acting, and as you can do that why not legalise the act? That is the opinion of that great counsel, Sir Horace Davy, and when the Bill was postponed in the House of Lords for a little time, he advised the company to go on, and it is now progressing and flourishing in the mother country without legislative enactment.

The COLONIAL SECRETARY: Then why does this company not do the same?

Mr. TOZER: The only reason is that at present there is no power in this colony to act as an administrator. There is no power whatever to delegate the authority, which executors and trustees now have, to this company. Now, I go on this line, that these companies should not be given powers without proper safeguards and official control, but I say that you can make proper safeguards and have official control, and that I think is better than no control, which is the case with executors and trustees. Going further, when you find you can increase the public security—that you can have official control and provide proper safeguards, then, of course, the only serious objection is the one raised in this case—although I see no difficulty in getting over it—namely, that this company has its existence outside of Queensland. That to me, at first, was a very serious objection, but I think it is quite possible to get over it. It only means, so far as regards this particular company, that you will have to require more security by way of deposit—not alone deposits in Government debentures, because I think that any company with large capital can afford to have their means invested. I see no personal objection whatever to a company investing its means, provided it does so to the satisfaction of the Treasurer of the colony, in any other way than in Government debentures. That is the course proposed in England. There is no doubt it ties up a large amount of capital, but I am sure that all these companies would much rather have a very much larger amount of capital than is now proposed, if that capital could be invested in the ordinary way—namely, in such securities as the directors themselves think fit. That could be done to the satisfaction of the Treasurer. I shall not detain the House much longer, but I wish hon. members to understand the crying evil all over the world which calls for the necessity of altering the present law. There is a crying evil which can only be got over by allowing corporations to undertake this work. You cannot possibly ask individuals to take upon themselves the responsibilities which so many of them have, by taking, been ruined by. Now, in this Bill, and in similar Bills which are really of a kindred character, the committees have done all they could to make certain safeguards. They have also done all they could to make provision for official control. What possible objection can there be to preventing me, if I want to do so, making this company my executor? Why, I can see no objection. It is simply a voluntary act on my part, and if I like to make this company my executor now, I am restrained from doing so. I can certainly do it in the name of the manager, and that is a far more objectionable way than if the House gives me permission to make the company my executor. At the present time I am in this position: If I make my will I have to consider what individuals I will appoint, and what are the chances of those individuals surviving me in the capacity of trustees and executors if I die. I certainly, as one having considerable experience in the working of trust estates in this colony—if a company was formed, having a capital as proposed—would appoint them my executors, after the experience I I have had, and the opinions I have had from persons who know the working of these companies elsewhere. I can support the testimony of the hon. member for Burrum. After converse with those who have had experience in America, I can say that these companies are not new there, and that all the objections raised here have been raised there. They have been thoroughly well considered, and I may quote the words of the two Lords of Privy Council, who asserted in England that there never has been an instance, within the last thirty years, in which a single one of these trustee companies have failed to make good the moneys to the trust estate. Now, can any supporters of the present system say that? They know full well that for one estate that is honestly and properly administered, five are not; but we do not find them out. That is why I strongly support the second reading of this Bill; not because I desire to see the shareholders get one single farthing of remuneration, but because from the experience which I have had elsewhere, and from the assistance I got when working on the Select Committee from others, and from my knowledge of the circumstances connected with this colony, I know that it is an absolute necessity at the present time to do something by which the public will be better served than they are by the present system.

Question—That the Bill be now read a second time—put.

The House divided:—

AYES, 32.

Messrs. Black, O'Sullivan, Groom, O'Connell, Luya, Isambert, Archer, Smith, Palmer, Tozer, Dalrymple, North, Lissner, Little, Powers, Cowley, Morgan, Murray, Buckland, G. H. Jones, Battersby, Corfield, Agnew, Perkins, Watson, Stephens, Plunkett, Allan, Adams, Paul, Rees R. Jones, and Jessop.

NOES, 17.

Sir S. W. Griffith, Messrs. Crombie, Barlow, Morehead, Hodgkinson, Macrossan, Pattison, Drake, Glassey, Casey, Sayers, Hamilton, Salkeld, Foxton, Campbell, Mellor, and Macfarlane.

Question resolved in the affirmative.

The committal of the Bill was made an Order of the Day for to-morrow.

QUEENSLAND PERMANENT TRUSTEE, EXECUTOR, AND FINANCE AGENCY COMPANY, LIMITED, BILL.

SECOND READING.

Mr. POWERS said: Mr. Speaker,—In moving the second reading of this Bill, I do not intend to take up the time of the House at any length, because the matter has just been fully discussed and the principle affirmed that it is desirable that these companies should be established. I think that the interests of the public will be better

served by having more than one of these companies than by having only one, so that there may be reasonable competition. I wish to direct the attention of the House to the report of the select committee, in which it is shown that certain safeguards have been proposed by the committee in the interests of those whose property may be placed in the hands of the company, by probate or administration. In section 9 it is proposed that, before obtaining any grant of probate of any will, or letters of administration, the company shall possess a paid-up capital of not less than £20,000. Section 8 provides that the capital of the company, both paid and unpaid, and all other assets of the company shall be liable for the proper discharge of its duties by the company. It is provided in section 20 that the accounts of the company shall be filed in the office of the Registrar of the Supreme Court, which accounts shall be passed before a judge of the court. By section 22 it is proposed that all trust moneys received by the company shall be paid to separate accounts, and shall not be mixed with the general funds of the company. Section 30 is a new section, inserted at the instance of the committee, and it provides that the sum of £10,000 to be invested shall be held by the Colonial Treasurer as a prior charge for the liquidation of any claim by any person entitled as one of the *beneficiares* under any probate or letters of administration granted to the company, in priority to all other creditors of the company, and in addition, shall be at liberty to rank as an ordinary creditor of the company if the £10,000 should be insufficient to satisfy the claims so established. The company has a subscribed capital in this colony of £100,000, in 100,000 shares of £2, on which it is only intended to call up £1 per share, so that it will really leave an uncalled balance of £100,000 in Queensland as a safeguard to the public; besides which the directors are directly responsible, and the £10,000 deposited with the Colonial Treasurer will, as I said, be a prior charge on any claims for any *laches* on the part of the directors on probate or administration matters. I have much pleasure in moving the second reading of the Bill.

The HON. SIR S. W. GRIFFITH said: Mr. Speaker,—This Bill differs in many points from the one we have just had under consideration. It was a pity the other Bill was not referred back to the select committee for amendment, as all hon. members who spoke in its favour admitted that it stood vastly in need of amendment. The amendments introduced by the select committee in this case are very valuable, and the security given is really substantial. By the 22nd section it is provided that no share shall be at any time transferred to a married woman or a minor. Again, not more than half the capital is to be called up, so that every member is still liable to half the amount of his shares. That is substantial security. And there is a provision about taking care of the trust funds of the company in the Bill, as amended by the committee. These are matters in respect to which the committee have done very useful service. Moreover, this company will be under the control of the Supreme Court, and any man who buys a share in it, wherever he is, will be liable to the jurisdiction of the Supreme Court of Queensland. The objection on that point which I took to the other Bill is, therefore, met. With regard to the other objections, it would be much better if these Bills were dealt with by a general law, and I am certain that if it were proposed to deal with them by a general law, Parliament would never grant those powers to any companies unless they were really and completely within the jurisdiction of our own courts. I say that without any desire to do anything unfriendly to the neighbouring colonies. On the Victorian directorate there are some personal friends of my own, and I should be glad to do anything to oblige them, or to do anything in a friendly way to the colony of Victoria. But this is a matter where personal friendships ought to be left entirely out of consideration.

Question—That the Bill be read a second time—put and passed.

The committal of the Bill was made an Order of the Day for Thursday next.

CUSTOMS DUTIES BILL.

SECOND READING.

The COLONIAL TREASURER (Hon. Sir T. McIlwraith), said: Mr. Speaker,—In my reply on the debate in the Committee of Ways and Means on the Financial Statement, I indicated clearly the course the Government intended to pursue in bringing in this Bill. I showed the benefit it would be to have the tariff all in one Bill, and accordingly this Bill is framed on the Customs Duties Act of 1870, retaining all the essential clauses, and adding to them any additional matter which was required for bringing in the amendments in the tariff agreed to by the Committee of Ways and Means. First, the Bill is to repeal the existing duties and Customs, and the Beer Duty Act of 1885, and to grant certain other duties in lieu thereof. Hon. members will see by the side-headings that the whole of the clauses have a reference to the Act of 1870, from which they are taken. It will not, therefore, be necessary for me to dwell on those clauses which have been in operation for so many years, and which have proved efficient. My duty will be short, therefore—namely, to direct the attention of the House to those clauses only where there is additional matter, or where any variation may have taken place. The 1st clause I will direct the attention of the House to is clause 13, regarding the exemption of certain machinery:—

"It shall be lawful for the Governor in Council from time to time to exempt from the payment of duty, and to order to be admitted free of duty, any machinery which, in the opinion of the Governor in Council, having regard to the appliances available therefor, cannot be constructed in Queensland."

I think this is a very useful clause, and from the way in which the tariff has been framed, and from the fact that this is the first time for the last eighteen years that an attempt has been made to frame a complete tariff in one Bill, it was absolutely essential. But, I think, upon consideration, that the clause is weak in this way—that it does not provide for sufficient publication of the acts of the Treasurer, so as to make them general, and apply in every way. So far as the clause goes, of course the Governor in Council may, and can exempt certain machinery. Of course, this is a power that is not asked for by the Government at all, and I will introduce there a proviso, that all decisions in regard to exempted machinery shall be published and made applicable to every importer in the colony. What I mean will be seen by referring to clause 16, the 2nd paragraph of which says:—

"Every such order shall be published in the *Gazette* and one other newspaper published in Queensland, and a copy thereof shall be kept exhibited in the long-room or other public place in every Custom-house; and a copy of every such order shall be forthwith laid before both Houses of Parliament."

A similar clause will be introduced as a proviso to clause 13, so that any decision that may be come to may be general and not applicable particularly to individuals. The next clause I have to mention as not having appeared in the Customs Duties Act of 1870 is clause 19. That is a clause that has given me a great deal of consideration, and I daresay it will give the House

room for some consideration also, as to the time when the rising tariff upon articles exempted comes into operation. I have had advice from all quarters upon the subject, and I do not think that much injustice would have been done even if the clause had been omitted, because, although it may be a matter of hardship to some merchants who had large stocks in hand of articles exempted, their interests will have been balanced a good deal by having a counter balance of stock upon which additional imposts have been paid. Still, at the same time, in consideration of the fact that some may have held stocks, and we ought to give them time to work them off, I thought it right, upon consideration, to put it in. At the same time I do not believe in going very far in the time that we will allow them to work off their stocks. I think six months, which has been suggested, will be far too much time, and it is probable, therefore, that in committee I will move that the blank be filled up by the words "The 31st day of December next," that is the end of the year. The next clause—20—is a new clause, and reads as follows:—

"Notwithstanding anything contained in this Act or the schedules to the contrary, if, within thirty days from the passing of this Act, any person proves to the satisfaction of the Treasurer that orders for machinery, including engines, to be used by him and not for sale, were sent from Queensland before the twelfth day of September, one thousand eight hundred and eighty-eight, either by himself or on his behalf, he shall, provided such machinery is delivered in Queensland within six months from the passing of this Act, be entitled to have the same admitted to entry, on arrival, on payment of duty thereon at the rate of five pounds for every one hundred pounds of the value thereof."

That I consider a very just clause, and I think it was generally assented to by the Committee of Ways and Means when I promised to have it inserted in the Bill. My only doubt in the matter was, whether it went far enough, because there might be things to which the same principle applied beyond machinery. I was not, however, able to frame a clause that would not be so general that it would destroy the effect of the tariff altogether. Therefore, I was obliged to confine it to machinery. Clause 21 is a clause which, upon consideration, I have found will not be sufficient. It says:—

"All goods imported for the supply of the public service of Queensland shall be exempt from the duties and imposts of every description whatsoever."

Under a different system of book-keeping—under which all departments would be treated separately, and every department charged for services rendered by another department—such a clause ought not to be necessary; but under our present system I think it is necessary. At the same time, in the way it is framed, it will give a claim to men who have imported goods that may be sold to the Government for a rebate of duty. That is not intended at all, and I will, therefore, move as an amendment when the clause comes on in committee, that after the word "imported" the words "by the Government" be inserted. Then all goods imported by the Government for the supply of the public service shall be exempted from duty. The first schedule enumerates the Acts that this Bill proposes to repeal, and the second schedule contains the resolutions come to in Committee of Ways and Means; although the arrangement for convenience has been made, in some respects, a little different. The differences, however, do not vary from the resolutions come to by the Committee of Ways and Means. Since the tariff passed through committee there have been difficulties suggested to me in the operation of the Tariff Act before. For instance, on page 10, amongst the articles exempted from duty are:—

"Naval and military stores imported for the service of the Colonial Governments, or for the use of Her Majesty's land or sea forces; and wines and spirits for the use of His Excellency the Governor, or for naval and military officers employed on actual naval or military service and on full pay."

I think an amendment on that paragraph will be of benefit to the colony, inasmuch as it will clear up a difficulty. According to a legal opinion, got by a late Government, the last clause has been made to cover wines and spirits, for instance, of Imperial officers who are in the employment of the Queensland Government. Now, there is not the slightest intention of exempting those officers from the ordinary liability of citizens of this colony any more than anybody else. I do not express any opinion as to the soundness of the legal opinion by which they have been exempted from the payment of duties; at the same time I think it is our duty to see that they are put in the same position as other citizens, not for the sake of the little gain that will accrue to the revenue, but on the general principle that everyone in the colony should pay exactly the same. I think the intention of the original Act was that Her Majesty's naval and land forces in this colony should receive all their stores free of duty, and that, I think, is perfectly right. But there are no military forces of Her Majesty here, except the Defence Force of the colony, and we have no intention that this clause should apply to that force. A slight variation will carry out what I have just mentioned. There is one item that has given some trouble, and that is "Paper for printing purposes only." I have had a good many consultations with officers of the department since this was passed, and they say that it will be impracticable to separate this paper from the paper put down in the 5 per cent. list. I propose, therefore, to strike out "paper for printing purposes only" from the 3rd schedule, and it will consequently come under the 5 per cent. rate in the 4th schedule. I have directed the attention of the House to most of the matters requiring consideration; in fact, the speech I delivered in reply to the debate on the Financial Statement covered the whole ground I could go over in proposing this Bill; and I will, therefore, content myself with the remarks I have made, and move that the Bill be now read a second time.

The HON. SIR S. W. GRIFFITH said: Mr. Speaker,—Does the hon. member propose to go into committee on the Bill to-night?

The COLONIAL TREASURER: No.

The HON. SIR S. W. GRIFFITH: The principal part of the Bill is a re-enactment of clauses in existing Acts; but there are one or two matters to which I desire to call attention. The 7th clause provides for the sale of goods liable to *ad valorem* duty upon which the duty is not paid within seven days after it becomes payable, and the provision is that the net proceeds shall go towards payment to the importer of the declared value of the goods, and the remainder, if any, is to be divided between the Customs officer who seizes the goods and the consolidated revenue; but there is a proviso that the Colllector of Customs may, instead, if he pleases, deduct and retain 10 per cent. out of the net proceeds. This clause is taken from the Act of 1870, by which a 10 per cent. *ad valorem* duty was imposed. The amount to be retained was, therefore, fixed at 10 per cent. so that the *ad valorem* duty could be taken out of the amount realised by the sale of the goods; and that is how it came to be 10 per cent. in the clause. It seems to me that in this clause it should be

15 per cent., or 5 per cent., according to the *ad valorem* duty payable, the object being to secure to the revenue the amount of duty payable, and not allow the importer to have the benefit of it. With respect to the 9th section, I think it is a clause not wanted. It was included in the Act of 1870, which was passed when we had a different law as to drawbacks from that now in force, the Customs (Regulations) Act of 1873, by which the only drawback that can be claimed is the amount of duty that has been actually paid on the goods. It is worthy of consideration, however, whether instead of the clause as it stands there should be a provision that in the case of goods on which the duty has been reduced no greater drawback should be allowed than the duty now payable. That is a different provision from the clause, but it will be giving effect to the intention of the Legislature when the clause was first introduced in 1870. There is a good deal to be said about the wisdom of the 13th section. It seems to me that if the Government can admit free any machinery which for the time being cannot be constructed in Queensland, it might seriously affect the establishment of new works for production of machinery in the colony, because there must be a beginning to everything. There is some machinery that cannot be manufactured in the colony without new appliances; but if effect is given to this clause it will prevent the establishment of any new appliances whatever, because until they are in actual operation the machinery they are constructed to make can be introduced free of duty. That being so, there will be no encouragement to such manufactures in the colony. The matter requires a good deal of consideration. The 17th section is taken from the Act passed in 1885, and it was intended, I think, specially to meet the case of pulp fruit. I do not know of any other object to which it is applicable, and I always had serious doubts about its advisability. With respect to the excise duty on beer and its proposed removal, that is a matter it is not necessary to say anything upon now.

Mr. MACFARLANE said: Mr. Speaker,—As the principles of a Bill are generally discussed upon the second reading, I propose to say a few words upon the proposed repeal of the excise duty upon beer. I think the principle at present in force of taxing the beer instead of the materials from which it is made, is the proper one to adopt. It is certainly the best system for keeping a proper record of the amount of beer made and consumed in the colony. Up to the time the excise duty on beer was imposed, we could only arrive at the amount of beer manufactured in the colony by a rough estimate. It was then all conjecture; but since that duty was imposed we have been able to arrive at a tolerably true estimate of the amount of beer manufactured in this colony. I think also that for the protection of beer-drinkers it is better that the duty should be imposed upon beer than upon the materials from which it is made. It is well known that the consumption of beer is increasing in quantity every year, and if we go back to the old system, as is here proposed, we shall have no reliable means of arriving at the amount of beer consumed in this colony. The Colonial Treasurer is throwing away a very handsome revenue by proposing to repeal this duty, and that will be seen if we consider the amount of beer made in Victoria and New South Wales. In Victoria, in 1886—two years ago—they were consuming 15,000,000 gallons of colonial beer, and with a duty of 3d. a gallon on that a handsome revenue would be derived.

The COLONIAL SECRETARY: In Victoria? How much did it bring in?

Mr. MACFARLANE: I say that with the duty imposed here that amount would bring in a very large revenue.

The COLONIAL SECRETARY: Yes; and if the amount consumed was 30,000,000 gallons it would bring in just twice as much.

Mr. MACFARLANE: I find that in New South Wales they were consuming about 14,000,000 gallons, but in our colony we are consuming perhaps not above 2,400,000 gallons. If the people of Queensland drink as much as those in New South Wales and Victoria—and they are credited with drinking rather more—and if the consumption increased at the same rate as in those colonies, in a very short time Queensland would be consuming perhaps 7,000,000 or 8,000.000 gallons, and the excise duty on that, if retained, would bring in a large revenue. That tends to show that the Colonial Treasurer is throwing away from him an amount of revenue that would stand to him should such a state of things again exist as existed two or three years ago—I refer to the drought. Taking the duty off beer and putting it upon the materials from which beer is made will not tend to improve the quality of the beer made here. In New South Wales fault was found with the colonial-made beer, though the Government Analyst said it was almost as pure as it could be made; and it was afterwards found that beer made in a hot climate produces fusel oil. Members who were here last year will remember the drink inquiry that took place in New South Wales, and the committee of inquiry there found that, though the beer might be made of the purest articles, yet in a hot climate—and it is hotter here than in New South Wales—in the very act of fermentation it produced fusel oil. Great complaints were made in New South Wales of the evil effects of colonial beer compared with English beer, and the question was how to account for the difference. The analytical chemist could not find out how this was caused, but the Government Analyst of New South Wales, by applying various tests to beer, found out that the beer in the process of fermentation produced fusel oil, which everybody knows is a rank poison. It would be a good thing for the Treasurer, and for the colony at large, as well as for the beer-drinkers, to impose a tax upon the beer rather than on the materials, as they would then be sure and would know almost to a certainty that the beer would be safer for them to drink. The Colonial Treasurer told us, on a former occasion, that the increased duties imposed upon the materials from which beer is produced would almost make up the deficiency caused by the repeal of the excise duty on beer. I have been told that I do not know much about beer, but I have read up the subject as much, perhaps, as most members of the House. I can affirm, without contradiction, that the amount of duty proposed to be put upon the materials will not produce more than half the revenue that would be derived from an excise duty of 3d. per gallon on beer. That being so, what the Treasurer proposes to do in this Bill is simply to hand over to the brewer, not to the publican, a bonus, I do not know for what cause. I maintain that we shall not have in future the same opportunity of keeping a true record of the amount of beer manufactured and consumed in this colony as we have at the present time with the excise duty on beer. I do not intend to go into the general question, but, as I said before, the time of the second reading of the Bill is, in my opinion, the period when we should speak upon the principles of the Bill, and I have expressed my disapproval of the principle of taking the duty off beer and putting it upon the materials from which beer is produced.

Mr. DRAKE said: Mr. Speaker,—I think this is the proper time to refer to the proposed increase upon imported furniture. I need hardly say I approve of the increased duty upon furniture, but, at the same time, I think it is necessary that an increased duty should also be imposed upon furniture made in the colony by Chinese. The import duty proposed to be put upon furniture will no doubt have the effect of shutting out a large amount of foreign-made furniture, but unless some further step is taken the cheap imported furniture will be supplanted by equally cheap, though perhaps more useless, furniture made in the colony by Chinese. There is no doubt that furniture of the latter description can be sold at a very low price, though that does not mean cheapness. The price may be low but the quality is bad, and whenever this furniture is brought into serious use it falls all to pieces, and the unfortunate persons who were deluded into buying it find they have got a very bad bargain, and that the furniture is not cheap at all. I therefore suggest to the Colonial Treasurer the desirability of imposing a duty upon furniture made in the colony by Chinese, and that the application of the duty should be denoted by a stamp put upon the furniture.

Question—That the Bill be now read a second time—put and passed.

The committal of the Bill was made an Order of the Day for to-morrow.

RAILWAY BILL.

COMMITTEE.

On the Order of the Day being read, the Speaker left the chair, and the House went into committee to further consider this Bill.

The MINISTER FOR RAILWAYS said he had intended, before the Speaker left the chair, to move that that Order of the Day be postponed until after the consideration of Order of the Day No. 3, and he would, therefore, now move that the Chairman leave the chair, report no progress, and ask leave to sit again at a later hour of the day.

Question put and passed.

The House resumed, and the Committee obtained leave to sit again at a later hour of the day.

DAY DAWN BLOCK AND WYNDHAM GOLD-MINING COMPANY'S RAILWAY BILL.

SECOND READING.

The MINISTER FOR MINES AND WORKS said: Mr. Speaker,—It will be necessary before moving the second reading of this Bill to state why the need for such a Bill has arisen. I dare say most members of this House have heard of a reef in Charters Towers called the Day Dawn. It is a reef that has yielded a very large quantity of gold, and one that is likely to be permanent for many years, and there are several very rich leases held at present on that line of reef. Hon. members may also have heard of a lease that was called the Day Dawn Block and Wyndham having been sold to an English company some couple of years ago. When that company got possession of the lease and began to increase their operations, they found it necessary to erect a crushing mill on the banks of the Burdekin River, some ten or twelve miles from Charters Towers, not only for the purpose of crushing stone derived from their own lease, but if necessary, when they had no stone of their own, to crush also for the public. Their lease is situated a little over three-quarters of a mile from the main line of the Northern Railway, near Charters Towers. Therefore, it has become necessary to connect the lease with the line of railway, so as to enable the company to have their quartz conveyed along the main line to the mill which has been erected on the banks of the river. Hence the necessity for the Bill, which is brought in under the second part of the Railway Amendment Act of 1872, which relates to proposals from private persons or companies. Certain conditions have to be fulfilled before a Bill arrives at the stage at which this Bill has now arrived, and all of them have been fulfilled in this case—some of them even more than fulfilled. For instance, the line has been surveyed; it has been surveyed in fact by the Government, and it has been laid out the whole length from the main line of railway to the lease. But instead of the deposit of £500 being put down as required by the 23rd clause of the Act, the company have actually deposited with the Government the whole amount of the estimated cost of the line, and have given a guarantee for any further expenditure that may become necessary. The estimated cost of the line, according to the Government Engineer, is £3,965. The whole of that money is now in the hands of the Government, together with a guarantee under the seal of the company, and signed by the directors, for any further outlay that may be incurred, so that so far as the guarantee under the conditions of the Act is concerned, the company have done more than is necessary; and it has become requisite under the Act that a Bill should be introduced by the Secretary for Public Works. When this Bill passes this House and the Legislative Council, plans and sections will have to be approved by Parliament. Those plans and sections are ready, or almost ready, to be laid on the table.

The HON. SIR S. W. GRIFFITH: Is there any private land to be resumed?

The MINISTER FOR MINES AND WORKS said: There is no land to be resumed. The line starts at a point on the Day Dawn Block and Wyndham, distant from the main line 67 chains, and after making a slight curve through the lease it goes into lease No. 393, which is the Day Dawn prospecting claim. Hon. members will see by the plan which I lay on the table the whole course of the line from the lease to the main line of railway. After it leaves No. 393 it goes into Melbourne street, and keeps right down there until it joins the main line of railway 37 chains from the Charters Towers railway station.

The HON. SIR S. W. GRIFFITH: They have to resume part of the surface of the Day Dawn lease.

The MINISTER FOR MINES AND WORKS said: There is no resumption required. The municipal authorities of Charters Towers have agreed to the line, the warden has given his consent under the goldfields regulations, and the prospecting claim company has also given consent to the line being taken along the surface of their claim, so that there is no obstruction whatever. In fact, the line is already more than half constructed, and it is necessary, in the interests of the company, to save them from any possible complications, to pass this Bill through as quickly as possible. The company agrees to maintain the line after construction, and to pay all fair traffic charges which may be imposed by the Commissioner for Railways, and indemnifies the Government against any loss in constructing the line without the authority of Parliament. The line is being constructed by the Government under the direction of the Government Engineer. The intention of the company, I believe, is to carry on

operations by conveying their quartz in train loads from the mine to the Burdekin mill. Of course it will be a source of profit to the Government, because the company will have to pay for the running of the quartz over its own line as well as to pay whatever charges are usually paid for the running of stone over the Government lines. I believe it will be a source of very great profit to the Government, because probably other companies on the main line of railway will take advantage of the crushing mill being established on the Burdekin, where there is a plentiful supply of pure water, which is an absolute necessity for the saving of gold. The Bill is constructed upon the usual principle of private Bills that have passed through this House before for the working of branch lines of railway. It is short and simple. Clause 3 provides for the usual works to be carried out for the benefit of owners who live on each side, and provides for gates, fences, and bridges where they may become necessary, and everything is to be done under the authority of and to be determined by the Commissioner. Then clause 4 provides that the line shall be open, when not used by the company, to the Commissioner and to the public at such charges as may be agreed upon. Every charge is to be determined ultimately by the Commisssioner or, of course, the Governor-in-Council. Clause 5 deals with tolls and dues, and provides that where they are excessive they may be reduced, but I think there will be very little necessity for that clause being called into operation seeing that the company have agreed to have their stone carried entirely by the Government, so that the Government will have the fixing of all charges, and very likely will have to deal with the company if they contract to carry stone and crush it—to carry the stone from the different mines and crush it at so much per ton, the company holding themselves responsible to the Government for the amount of carriage. Clause 6 deals with conveyance of mails. I do not think that that clause is of very much importance, because there will be no mails to carry. Clause 7 authorises the Government or company to use steam in locomotive engines which may be used; and clause 8 gives the Commissioner power to carry and convey the waggons of the company on the Government line—that is, on the main line from the junction of this line down to the Burdekin mill. I think hon. members can have no difficulty in agreeing to the second reading of this Bill, seeing that it is so much for the public benefit, and especially for the development of the mining industry of Charters Towers. I would like, and I am quite sure the members for Charters Towers would like to see more than one mill established on the Burdekin, because there is a great quantity of good water in the Burdekin, and, indeed, it would be much better if the mine owners of Charters Towers were able to have their stone crushed there instead of being compelled to crush with water that is certainly not fit for the saving of gold. The line is necessary, it will be a benefit to the mine owners on Charters Towers, and it may be an incentive to other mine owners to establish branch lines. At any rate, this is a good beginning. It is the first line that has been made on the goldfields for the purpose of carrying quartz, and I feel perfectly safe in moving that the Bill be read a second time.

The HON. SIR S. W. GRIFFITH said: Mr. Speaker,—I have two or three observations to make about the Bill. I quite agree with the general object of it. It is desirable to encourage the use of the Government railways by the carriage of quartz over them. I presume that the site where the quartz mill is to be will be one that will not interfere with the water supply of Charters Towers.

The MINISTER FOR MINES AND WORKS: No.

The HON. SIR S. W. GRIFFITH: It would be a very important matter if there was any danger of interfering with the waters of the Burdekin. I presume, also, that the tailings that are likely to go to waste are not likely to interfere with the water.

The MINISTER FOR MINES AND WORKS: No.

The HON. SIR S. W. GRIFFITH: Another thing is that this Bill, like other Bills that have preceded it, is, to a certain extent, defective. This Bill, for instance, gives powers to the company, but does not impose upon them any liabilities. If they have the powers of the Commissioner, they ought certainly to have the liabilities and duties of the Commissioner. There will be level crossings on the line, of course, and the duties of the Commissioner with respect to level crossings will certainly have to be imposed upon the company. Those are serious defects. Another serious defect that exists in similar Acts is one to which my attention was called when I was in office; and that is that, although the Acts give power to the public to run their locomotives over the railway, there is no power to get on to the line. I had a Bill prepared some years ago providing for cases of that sort. The company should be bound to allow the public to use the line by entering upon their land for the purpose of making the necessary connection with the railway. That ought to be a general provision in all these Bills. Another matter suggested itself to me on reading the Bill—that it will be necessary to amend the Railway Bill by providing that whenever the Commissioner is referred to in other Acts it shall mean the commissioners under the Railway Act. Seeing this Bill reminded me that there are already several other Acts conferring powers and imposing duties upon the Commissioner, which are to be transferred to the new board about to be constituted.

Mr. PALMER said: Mr. Speaker,—The principle embodied in this Bill is one that I think will recommend itself to the House, especially as there are many parts of the colony where a similar Bill could be brought into practical use very soon. When I had a motion before the House last session with regard to the necessity of constructing a line of railway from Normanton to Croydon, one argument used, and which seemed to find favour with a good many members at that time, was that the line might be used for the carriage of quartz from Croydon down to the Norman River, where there is a permanent supply of water in large quantities. The Croydon field is notorious for being deficient in any supply of water, even for the ordinary purposes of domestic life, let alone quartz-crushing. Therefore, I think the principle of the Bill should commend itself to the House. I believe it will come into play on the field I have mentioned—that before long it will find favour with the miners of Croydon, who are suffering great losses just now. In fact the whole operations of the field may be said to be in abeyance for the want of some such means of communication as is here proposed. I am sure such a measure would be appreciated and made use of there, and I hope the principle of allowing private lines to be attached to Government lines will be carried out to a greater extent before long. It will be for the benefit of our goldfields, and the country as well.

Mr. SAYERS said: Mr. Speaker,—The railway which the hon. the Minister for Mines and Works has introduced in this Bill really crosses three leases and comes into a street. I happen to know that at the time this railway was started there was great opposition to it by the residents

of that street, principally on the ground that it would deteriorate their property and be dangerous to the people living there. At last, however, I believe the Municipal Council agreed to the wish of the shareholders that the line should be made there. I should like to see the Bill go through, but there are some matters in connection with it to which I wish to draw the Minister's attention. One is that the Government undertaking to make the railway has very nearly caused a strike of a certain nature at the Towers, because they have interfered with the ruling rate of wages on the field. If the company had to make the railway themselves, they would have had to pay 2s. per day more than the Government pay, and I do not think it advisable for the Government to make railways for private companies, and then reduce the rate of wages ruling in that particular district. I think the least they could do, if they agreed to make the railway, would be to pay the average wages of the district as paid by others. I think that is an objectionable feature in connection with these Bills, and this one in particular. Of course, if 8s. a day had been the average rate of wages paid by the corporation, divisional boards, or any other body, the Government would have been justified in paying that rate; but to undertake to make a railway for a private company and then reduce the rate of wages 2s. per day for the same class of labour is not fair or just. Another thing is this: I may be in error—if I am I hope the hon. gentleman in charge of the Bill will correct me—but I do not see any provision in it to enable other mining companies who may desire to join on to this railway to do so. I think when a railway is made, as this is, to a large extent through streets, other companies wishing to join on to it should have power to do so, and I hope a clause to that effect will be introduced into the Bill. We know very well that when companies get privileges themselves they often object to allow any other persons to derive any benefit from them without paying a certain toll. In this case it would be impossible to run another line close by, because it would block up the whole of the street, and if they went anywhere else it would interfere with private rights. I hope the hon. gentleman in charge of the Bill will insert a clause empowering other companies who wish to take advantage of this line to do so.

Mr. TOZER said: Mr. Speaker,—I rise only for the purpose of giving a little information. I visited this mine about three weeks ago, and took some trouble to get information in reference to it, and one or two facts cropped up in reference to which I should like to ask the Minister for Mines some questions. Now, I do not hesitate for one moment to say that I consider this mill is the most valuable mining work I have ever seen in my life. The mill and the railway line will cost the company about £70,000; it is one of the finest plants I have ever seen at work in any part of the world, and the company deserve every possible encouragement for the vast sums of money they have spent upon it. I am sure that from the prosperity of the mine at the present time—at any rate, for a little while—the public—that is the public of Charters Towers—will be the largest gainers by that mill. They have got sixty stampers, and every assistance and encouragement should be given to them. But what I rise chiefly for is this: I know that the chairman of this company in England is a gentleman of the highest character, and I wish to point out that I think he has been slightly misled, and that probably it would be right to correct him. I notice that at a meeting of the company he said, referring to the expenses of the company, that they would be "about £7,000 or £8,000, and that these expenses will be recouped by the Queensland Government. When the railway is completed they will take it off our hands and recoup us the cost of the outlay." Of course the hon. the Minister for Mines will be able to correct that. I believe the mistake has arisen from somebody having informed the chairman of the company that heretofore it had been the practice in making small sidings near railways to hand back the cost of the siding when a large amount of freight was carried. But I never knew that it was the custom of the Government to recoup people for the money they expend on private lines. I mention this because I am certain that the chairman, Mr. Hopkins, and the directors with him, were fully under the impression that their outlay would be recouped to them. I hope the House will afford every facility to this company. Some time ago I was a shareholder in it, but I have nothing to do with it now, and I know the difficulties in its way; and I know they were driven to the Burdekin by reason of the immense amount of sludge which naturally accumulated at the mines at Charters Towers. I thoroughly examined the site the other day to see if there was any possibility of the sludge being likely to do any harm to anybody. It was only likely to do harm to a brewery situated below the bridge, and that difficulty has been got over by carrying the sludge past the brewery. There is nobody else within forty or fifty miles who could possibly be prejudiced by the sludge. I trust we shall get some information on the question as to whether the Minister has made provision for running over the line from the railway line to the mill, and also whether arrangements cannot be made whereby other companies can have the right to use this railway on due payment for the same. I can safely say that, for a few years at least, this line will be largely availed of by many persons on Charters Towers. The water they are using now is not ample for the purpose of ordinary gold-mining. In time other companies will erect mills alongside that of the Day Dawn, and will use this railway. I hope this will be the beginning of similar projects on goldfields which are not so well off as Charters Towers, and that every encouragement will be given by the House in connection with the building of those railways, and in connection with the charge. I would like to ask the Minister whether the chairman was right in saying that a charge of 2d. per ton per mile has been fixed. If that is so it will receive my most cordial support.

The HON. A. RUTLEDGE said: Mr. Speaker,—I shall not detain the House very long after what has been said by other hon. members with regard to the Bill now before us. I am very glad to find there are so many who have a good word to say for Charters Towers, and for the great mining interest the prosperity of which has enabled Charters Towers to achieve so high a position in the estimation of the people of the colony. There can be only one opinion as to the character of the enterprise displayed by the Day Dawn Block and Wyndham Company in the erection of the truly magnificent works which exist on the banks of the Burdekin River. When we find a company prepared to expend its capital for the development of the mining industry in the way that this company has done, it is the duty of the Government, and of Parliament, to afford them all facilities in order that their enterprise may meet with its reward. Although the company will, no doubt, derive a great deal of profit from having this line as a feeder to their mill on the banks of the Burdekin, yet the public generally will derive great benefit from the prosperity of a company employing a large number of men, and from the facilities afforded to other companies to avail themselves of a like benefit; for their example will no doubt be largely followed, and

we shall see a multiplication of mills on the bank of the Burdekin which will tend greatly to the prosperity and the development of the gold-mining industry on Charters Towers. There was at one time a great deal of dissatisfaction in the minds of some people on Charters Towers with respect to the matters mentioned by my hon. colleague, Mr. Sayers, but I think most people now are reconciled to the existence of this line of railway, although it will run down a street of considerable importance. It will be very easy to provide that the liabilities which the Commissioner is under with regard to public lines of railway shall be borne by those who have the construction of this line, so that persons who are damaged or prejudiced by it will have their remedy in the usual way. It is not necessary to detain the House with any further observations; I desire simply to give my cordial approval to the Bill before us.

Mr. SMYTH said: Mr. Speaker,—Like a good many other people, I laboured under the impression that where a branch line was constructed which was likely to bring a lot of traffic to the main line, the Government made that line on the persons who required the line placing a sum of money in the hands of the Government as security for the traffic which would pass over it. But a short time ago a coal, not gold, mining company I am interested in applied to have a branch line made to it, not more than 100 yards in length, and on appealing to the Government they were told that the Government would make the line for them at a certain price. They found that the price amounted to over £1,000, and they were told that until that money was deposited in the bank to the credit of the Government they would not start making the line. And the Government had done us damage to the extent of thousands of pounds, for which we never put in any claim. We thought it was very hard, indeed. But branch lines have been made to the timber-mills and sawmills at Maryborough without any such onerous condition. With regard to the line to the National sawmill at that place, when the Commissioner demanded a certain amount of money for making the line, the proprietor refused to pay it, and when he put down his foot and assumed a determined position the Commissioner decided to make the line without his depositing any money at all. I do not see why the miners of the colony should be the first parties selected to be compelled to put their money down before the line was begun. We always understood that when a certain amount of traffic went over a branch line the money would be returned to them. The Day Dawn Company have had to pay down £4,000 before the Government would start the line, and I am certain the directors in England are under the impression that as soon as a certain amount of traffic passes over that line the money will be recouped to them. I do not see why miners should not have the same privilege as sugar-planters and sawmill proprietors. As it is, I consider they have been very harshly dealt with. It is a very good provision by which the Minister for Mines and Works can bring in a Bill of this sort to construct private branch lines. Last week I had a private Bill put into my hands to get through the House, and I found that I should have to get it advertised for four consecutive weeks, go through all the forms of the House, and get a select committee appointed to report upon it, present the report to the House, and a lot of other things which I could not possibly do this session. I think it is a very wise provision that it should be included in the Railways Bill which is now before us. The case I referred to was a coal mine where they have sunk a pit, discovered coal, and are ready to take it out, but because it is so late in the session there will not be time to bring in a Bill, and if the Minister for Mines and Works would undertake a similar measure for other companies those people would be able to lay the rails and supply the great demand for coals which now exists. I hope the Minister for Mines and Works will give this assistance. I wish to ask the Minister for Railways if he will find out what is the custom of the department as to refunds, because if there was a custom of making refunds, why should the quartz miners of the colony be put on a different footing to other people in the colony?

Mr. HODGKINSON said: Mr. Speaker,—I am perfectly acquainted with the route proposed to be taken by this branch line, as I had an interview with a deputation on the subject when I was on Charters Towers. I must congratulate the Minister for Mines and Works upon bringing in the Bill, as I believe the advantages accruing from the line will be far greater than are at present apprehended. I not only believe it will develop the Day Dawn, but I think it will be of use in the reduction of quartz on Charters Towers altogether. The water there is not very abundant at the best of times, and sometimes it is so scanty that the reduction of quartz is almost stayed, and that entails expense. I have no doubt that the carriage of quartz from this mine to the proposed site of the company's mill will not, on the average, exceed the present rate by dray haulage to the mills at Charters Towers; but I also look to another fact. Those who are acquainted with the reduction of quartz know the importance of pure water, and that a large percentage of gold is lost by the use of impure water; and a powerful company like this, with such works as they will have, will no doubt introduce special appliances for the proper reduction of quartz, and not only crush quartz from their own mine, but also do a large business with other mines. There is one important point, and that is, facilities for conveying quartz to this part of the field should be extended to other companies, as it will not do to give this company a monopoly. I may be wrong, but I fancy the 4th clause fully provides against that. It says:—

"The said branch line shall at all times, when not in actual use by the company, be open to the Commissioner and to the public for the passage of locomotives, waggons, and other vehicles, upon payment of such tolls and dues as the company may from time to time prescribe."

But even supposing it does not provide against a monopoly, the company's own interests will preclude any difficulty of that kind. It will be very unlikely that the company will have sufficient quartz of their own to keep sixty stampers going throughout the whole year, and their object will be to induce the other mines of Charters Towers to send their quartz to their mill. Taking expense into consideration, and the average yield of gold from quartz of the same quality, they will find it more profitable to crush at the Burdekin than in the mills at present on Charters Towers. There is one thing: The timber has got scarce and dear at Charters Towers, and this company will break a new field. That will bring about a reduction in price; and I see a great many advantages arising from this measure, which it is quite unnecessary to expatiate upon now. I shall give the Bill my hearty support, and I again congratulate the Minister for Mines and Works upon the introduction of the measure.

Question—That the Bill be now read a second time—put and passed.

On the motion of the MINISTER FOR MINES AND WORKS, the committal of the Bill was made an Order of the Day for to-morrow,

RAILWAY BILL.

On the Order of the Day being read, the Speaker left the chair, and the House resolved itself into a Committee of the Whole to further consider this Bill in detail.

On clause 33, as follows :—

"The commissioners may lease any refreshment-room, shed, office, shop, stall, coal gears, sites for storage or for erecting sheds, right of entrance into any station by any public vehicle, right of advertising, or other convenience or appurtenance to any of the railways, for any term not exceeding five years on such conditions and at such rent as they may determine."

The HON. SIR S. W. GRIFFITH said that clause would give the commissioners power to deal with certain things which were not the subject of leases. It proposed to allow them to lease "the right of entrance into any station by any public vehicle." That was not a subject for a lease, but for a license. They could not lease the exclusive right of vehicles to enter any station. As to advertising, it was competent to lease that; but with respect to "other convenience or appurtenance to any of the railways," he did not know whether that could properly be described as a lease or not. The commissioners certainly could lease "any refreshment-room, shed, office, shop, stall, coal gears, and sites for storage or for erecting sheds." If that clause dealt with leases, and then they afterwards gave the commissioners power to grant licenses conferring the right of entrance to any station, it would be better.

The PREMIER said the difficulty the hon. member referred to was in regard to the right of entrance into any station by any public vehicle. The right of advertising was more likely to be a lease, and the other conveniences or appurtenances were also more likely to be leases. The clause might be amended by a transposition, and placing the part relating to public vehicles at the end.

Mr. GROOM said the clause was in the original New South Wales Act; but an amendment had been made to it there, which the Minister for Railways had not included. That was in reference to refreshment-rooms and the sale of spirituous liquors. No provision was made for that in the clause.

The MINISTER FOR RAILWAYS said that was included in the Licensing Act.

Mr. GROOM said at present they were not allowed to sell spirituous liquors in the refreshment-rooms on the New South Wales lines except at the Werris Creek Station. The amendment introduced there gave the commissioners full power to issue licenses for refreshment-rooms, and they could say whether spirituous liquors could be sold or not. That power was not given in the present clause.

The MINISTER FOR RAILWAYS: The clause said they might do it under such conditions as they saw fit.

The HON. SIR S. W. GRIFFITH said the Licensing Act provided that the Commissioner for Railways might grant licenses. He supposed it would be provided generally in the Bill that the word "commissioner" would mean "the commissioners." They had better leave out the words "right of entrance into any station by any public vehicle," and make provision for that at the end of the clause.

The MINISTER FOR RAILWAYS moved that the words, "right of entrance into any station by any private vehicle," be omitted.

Amendment agreed to.

The HON. A. RUTLEDGE said he did not think it was necessary to make provision in the clause for public vehicles. Paragraph 17 of clause 40, relating to by-laws, made sufficient provision.

Clause, as amended, put and passed.

On clause 34, as follows :—

"In the first month in each quarter of every year the commissioners shall report in writing to the Minister—

(1) The state of the traffic returns, with the approximate cost and earnings of trains per ton per train mile, in respect of goods and passengers respectively, carried during the past quarter;

(2) The general condition of the lines and accommodation for the traffic;

(3) The special rates, if any, which have been made, and the reasons for making such rates;

(4) The appointments and removals of officers and servants with the circumstances attending each case."

The MINISTER FOR RAILWAYS said there was one amendment he wished to propose in the clause, and that was to omit the words "of trains per ton" in the 1st subsection. No doubt such a return would be very useful; but it would also be very expensive, and it was very questionable whether the usefulness would compensate for the expense. It was so in the Victorian Act; but they had never been able to carry it out. It had never been insisted upon, and had fallen into desuetude in that colony. If they were able to get the approximate cost and earnings per train mile it would be sufficient

The PREMIER said by the returns they received at present they knew the whole number of goods and passenger trains, and the whole of the receipts, and could calculate the cost per ton per mile.

The MINISTER FOR RAILWAYS moved the omission of the words "of trains per ton" in line 18.

Amendment agreed to; and clause, as amended, put and passed.

Clause 35—"Commissioners' annual report to Parliament"—passed as printed.

On clause 36, as follows :—

"The several lines of telegraphic communication belonging to the commissioners or which are worked under the direction or on behalf of the commissioners, may be used by them—

(1) For the transmission of messages in relation to the working of the railways;

(2) So far as is consistent with the due and efficient working of the railways, for the transmission of messages by the public.

"All such messages as last aforesaid shall be transmitted by the officers and employés, on behalf of the commissioners, as agents of the Postmaster-General; and there shall be demanded and received, in respect of such last-mentioned messages, such fees, rates, and dues as may for the time being be lawfully demanded or received by the Postmaster-General, in respect of lines of telegraphic communication under his control; and, save as aforesaid, the commissioners shall not transmit or permit the transmission of messages on behalf of the public through their wires.

"The sum to be paid by the Postmaster-General to the commissioners for the transmission of messages as aforesaid, may be either a lump sum or a percentage on the gross sum received by the Postmaster-General from the commissioners, in respect of such transmission, or may be determined in such other way as may be agreed upon between the Postmaster-General and the commissioners."

The HON. SIR S. W. GRIFFITH asked whether it was intended that a cash payment should be made by the Postmaster-General to the commissioners on account of telegraph work done by railway officials, or that a portion of the receipts should be retained by the commissioners? If the commissioners handed all the receipts over to the Postmaster-General, and received from him either a lump sum or a percentage

of the receipts, that would lead to a confusion of accounts; but if the commissioners retained a certain portion of the earnings, that would prevent the confusion that would be caused by reckoning the amount twice over, which would be the case if it were first handed over to the Postmaster-General and then handed back to the commissioners. There had been a great deal of trouble between the Railway Department and the Post-office, for years and years, over the matter. There was trouble ten years ago when he was Minister for Works. He believed there was trouble now, and the matter ought to be settled.

The PREMIER said he thought it would be better to use the word "retained" instead of "paid."

The MINISTER FOR RAILWAYS moved the omission of the words "paid by the Postmaster-General to," in the last paragraph of the clause, with the view of inserting the words "retained by."

Mr. PALMER asked whether the public might demand the transmission of messages by telegraph lines belonging to the commissioners on tendering payment for the same? Would the railway officials raise any difficulties?

The PREMIER said that the public would have the right to send messages; but railway messages would take precedence.

Amendment put and passed.

The MINISTER FOR RAILWAYS moved the omission of the words "the Postmaster-General from the commissioners," in the last paragraph of the clause, with the view of inserting the word "them."

Amendment agreed to; and clause, as amended, put and passed.

On clause 37, as follows:—

"1. The commissioners may by their corporate name contract for the execution of any work authorised by this or any other Act to be executed by them, or for furnishing materials or labour, or for providing locomotive engines or other motive or tractive power, or for any other matter and things whatsoever, necessary for enabling them to carry the purposes of such Act into full effect, in such manner and upon such terms for such sum and under such stipulations, conditions, and restrictions as the commissioners think proper.

"2. Every such contract shall be in writing, and shall specify the work to be done, the materials to be furnished, and the price to be paid for the same, and the time within which the work is to be completed, and the materials to be furnished, and the penalties to be suffered in case of non-performance thereof; and every such contract may, if the commissioners think fit, comprise several works, and may in every case specify the person to whose satisfaction the work or works is or are to be completed or the material furnished, and the mode of determining any dispute which may arise concerning, or in consequence of, such contract."

The MINISTER FOR RAILWAYS said he had an amendment to propose in the clause, of which he had given notice once or twice before. He intended to move the insertion of the word "fuel" after the word "furnishing" in the 3rd line, and to add a proviso to the 1st paragraph to the effect that no contract for the supply of fuel materials, and so forth, from places outside of Queensland should be made without the previous sanction of the Governor in Council. Perhaps it would be better to negative the clause for the present and provide a new clause.

Clause put and negatived.

On clause 38, as follows:—

"1. The commissioners and the Postmaster-General may enter into, alter, and rescind contracts and agreements with respect to the receipt, carriage, and conveyance of letters, newspapers, parcels, and newspapers, and or with respect to any other matter or thing in relation to the postal service; also, with respect to the working of any of the lines of telegraphic communication of the Postmaster-General by the commissioners, and generally with respect to telegraphs and telephones and the transmission of telegraphic or telephonic messages.

"2. In case any difference shall arise between the commissioners and the Postmaster-General, with regard to the terms and conditions on which any contract or agreement should be made or otherwise in relation thereto, the same shall be determined by the Governor in Council."

The HON. SIR S. W. GRIFFITH said he did not quite understand the clause. Was it intended that those contracts should involve money payments, or were there to be assessed values for work done? He did not understand a contract being made between one branch of the Government and another. Suppose the contract was broken, what would happen? Would the Postmaster-General bring an action against the commissioners, or would the commissioners bring an action against the Postmaster-General? He did not understand the object of the clause.

The MINISTER FOR RAILWAYS said the clause, he believed, was necessary in order to effect the harmonious working of the two departments. It gave the commissioners power to enter into a contract with the Post-office Department for the conveyance of mails.

The HON. SIR S. W. GRIFFITH: What do they want to enter into a contract at all for?

The PREMIER said the clause was a good one. They were initiating a new system, and were trying to make the commissioners independent in the working of the railways, and they wished them to be able to show what the actual revenue from the railways was. The clause would have that effect. It would enable the commissioners to make arrangements for the conveyance of mails. What would be the effect if they disagreed, and whether there would be a lawsuit, he could not quite see so far; but the clause was right in principle, in providing that the commissioners might make arrangements with the Postmaster-General for the conveyance of mails.

The HON. SIR S. W. GRIFFITH said the 2nd section of the clause really annulled the 1st section, because it empowered the Governor in Council to make the contract after all, as in case any difference arose between the Postmaster-General and the commissioners in connection with the contract it was to be determined by the Governor in Council. He hoped it was not meant that there was to be any money payment.

The MINISTER FOR RAILWAYS: No; it defined the course the two departments ought to pursue, and simply meant that the two departments were to agree, and if they could not agree as to the terms upon which the mails were to be carried, the matter was to be referred to the Governor in Council.

The HON. SIR S. W. GRIFFITH: And that again means the Postmaster-General.

The MINISTER FOR RAILWAYS said they were different persons, as the matter was referred to the whole Cabinet if an agreement could not be arrived at. It would be determined under the clause how much one department should be debited with and the other credited. The clause was more for the purpose of providing that there should be an exact account kept of the services performed by one department for the other.

The PREMIER said that practically the clause was a good one, although the leader of the Opposition was perfectly correct in saying that the Governor in Council would really determine the bargain between the Postmaster-General and the commissioners. The advantage was that

they would have all the facts before them and the case stated by both sides before the agreement was made.

The MINISTER FOR RAILWAYS moved that the word "and," in the 4th line, between the words "newspaper" and "or," be omitted.

Amendment agreed to; and clause, as amended, put and passed.

The MINISTER FOR RAILWAYS in moving the following new clause to follow clause 38:—

1. The commissioners may by their corporate name contract for the execution of any work authorised by this or any other Act to be executed by them, or for fuel, materials or labour, or for providing locomotive engines or other motive or tractive power, or for any other matters and things whatsoever, necessary for enabling them to carry the purposes of such Act into full effect, in such manner and upon such terms for such sum and under such stipulations, conditions and restrictions as the commissioners think proper. Provided that no contract for the supply of fuel or materials or for providing locomotive engines or other motive or tractive power from places outside Queensland shall be made without the previous sanction of the Governor in Council.

2. Every such contract shall be in writing, and shall specify the work to be done, the materials to be furnished, and the price to be paid for the same, and the time within which the work is to be completed, and the materials to be furnished, and the penalties to be suffered in case of non-performance thereof; and every such contract may, if the commissioners think fit, comprise several works, and may in every case specify the person to whose satisfaction the work or works is or are to be completed or the material furnished, and the mode of determining any dispute which may arise concerning or in consequence of such contract.

said that the clause was the same as clause 37, which had just been negatived, with the exceptions, that the word "fuel," in the first paragraph, before "materials," was substituted for the word "furnishing," and that a proviso was added at the end of the first paragraph.

Mr. GLASSEY said he wished to draw attention to one or two points in connection with that very important clause. By that clause the commissioners were empowered to make contracts for "fuel, materials, or labour." What labour was to be employed? Was the power to be left entirely in the hands of the commissioners to employ what labour they thought proper, whether it was European or other labour?

Mr. GROOM: There is no fear of them employing other than European labour.

Mr. GLASSEY: It has been done in South Australia.

Mr. GROOM: The commissioners will not dare to do it.

Mr. GLASSEY said it would be just as well to make it clear in that clause that they should not do such a thing. Another important point was that there was no stipulation for the protection of workmen in the letting of railway contracts. There was a very prevalent opinion existing among working men that they had been very unfairly treated in the letting of Government contracts in the past, and he hoped the Minister for Railways would see his way to accept such amendments as would protect the labourer in future, as by laying down, as was done in Victoria, that the contractor must bind himself to an agreement that a day's labour should be eight hours. He would like to go a little further, and stipulate not only that there should be a fixed number of hours for a day's labour, but also that there should be a minimum rate of wages paid by the contractors. When the contract for the Valley railway was let, one of the first things the contractor did was to reduce the rate of wages for draymen from 12s. to 11s. per day. He (Mr. Glassey) thought there were very few members in that Committee who were of opinion that a man employing himself, a horse, and a dray was asking an exorbitant wage in asking for 12s. a day, but so long as contracts were let without any such restriction as he suggested they might expect complications from time to time. He was further informed that wages of ordinary labourers were reduced from 7s. to 6s. 6d. a day. He also found it reported that a gentleman who had a contract for building a bridge over the Pioneer River at Mackay brought a number of his own men from New South Wales, who worked for 2d. an hour less than the current rate of wages at Mackay. Therefore it was desirable that the clause should be extended in order to protect labourers. Further, it was reported that a person at Mackay employed black instead of white labour in getting wood for locomotives in that town and distrct, so that there was need to place some restriction on contractors in respect to the labour they should employ, and he hoped that they would have some explanation on that matter, and that the Minister would accept his suggestions.

The PREMIER: We do not want suggestions; we want propositions. What does the hon. member propose?

Mr. GLASSEY said he would move that in the 22nd line, after the word "or," the following words be inserted, "such labour shall not be done by Asiatic or Chinese workmen, but shall be confined exclusively to European or American white labour." He would then deal with the other matters with regard to wages and hours of labour.

The HON. SIR S. W. GRIFFITH said, before that amendment was put, he would point out that he did not see how the commissioners could contract for the labour to be employed. What was the idea? Was it to let contracts for labour to "bosses"? He hoped not. They would let contracts every day for work to be done, but that was covered by the words "execution of any work." The furnishing of fuel and materials and the execution of any work really covered the whole ground.

Mr. HUNTER said they were divided rather hurriedly the other night on a similar clause to that proposed by the hon. member for Bundanba, and many hon. members did not understand the way in which the question was put. If a labour clause was to be inserted in the Bill, he thought it should be a special clause, and it would then apply to everything.

Mr. POWERS said he would suggest the insertion of the words "Australian natives" in the amendment. As an Australian, he objected to native Australians being excluded. The hon. member's amendment showed the farce of trying to define such things too closely.

Mr. ANNEAR said he would ask the Minister if the clause did not do away with the general conditions of contracts as they were now in existence. He did not think the hon. member for Bundanba altogether understood what he had been talking about that evening. The hon. gentleman said that the men should be guarded, and that their wages should be secured. Now, he asked the hon. gentleman if, during the last six or seven years, he had ever heard of an instance of men being done out of their wages in this colony when working on a railway contract, and, if not, where was the need for guarding the men against that which did not happen. Now, he was sure he had done as many days' manual labour as the hon. member had ever done, and he could assure the hon. member that the demand for labour would always rule the wages in every country. If the

Valley railway contractor took the contract for the construction of a railway line, in his (Mr. Annear's) opinion he did perfectly right in getting his labour as cheap as he possibly could, whether it consisted of navvies or men with drays. The owner of a dray or the owner of a pick and shovel need not work if the wages did not suit him, and that was the principle upon which such matters were ruled, and always would be ruled. He did not want to take away anything that might belong to the hon. member, but he almost felt that his occupation had gone—that he had been living all these years and knew nothing about those things which, after all, were simply honourable arrangements between man and man. Of course, he quite agreed that a clause might be inserted to the effect that Chinamen should not be employed, but he did not think they need fear a repetition of what was done in South Australia. There the Government called for tenders for the construction of a railway, putting in a clause that tenders could be sent in for its construction by white men or Chinese. He was sure that would never be done in Queensland.

The MINISTER FOR MINES AND WORKS: They have repented.

Mr. ANNEAR said they had. There was no doubt about that. He hoped the Committee would be rational, but he did not think it was very rational to put in a clause providing that men who were only worth 6s. a day should have 12s.

The PREMIER said the hon. member never made a truer remark than that his occupation seemed to have gone. Another stratum had come up, but not a very intellectual one. They understood something about the eight-hours' system before the hon. member for Bundanba came into the House. If the hon. member wanted to introduce a debate on the eight-hours' system he ought to introduce facts—fresh facts—facts that were facts. In introducing the amendment he told them that eight hours was the legal day's work in Victoria. Where did he find any Act that provided for that.

Mr. GLASSEY: I said there was a clause in all Government contracts in Victoria which stipulated that contractors should not have the power of insisting upon workmen working longer than eight hours. It is not an Act of Parliament.

The PREMIER: The hon. member said it was in an Act of Parliament. There was no reason whatever for the amendment moved by him. It would be simply ridiculous. Possibly, in view of the fear of a Chinese invasion, there might be some reason in stipulating that no Chinamen should be engaged in any Government work, and why was that not done? Simply because public opinion was so strongly against it that there was not the slightest chance of it ever being done by the commissioners or anybody else. Why, therefore, block the progress of the Bill by moving amendments of that sort, leading to no practical result. The whole of the members of the Committee were agreed upon that. Any commissioner would have the life of a dog who tried to employ Chinamen or niggers of any kind. Why should they not employ natives of the colonies. They sometimes heard very philanthropic ideas about the way they were treated, and now the hon. member actually proposed, by Act of Parliament, to prevent them getting Government work they were actually fit for. He hoped the hon. gentleman, having posed ineffectually for some time as the working man's friend, would now let them get on with the work of the Committee. They were all the friends of the working man; they had every desire to promote his welfare and that of every other class in the community; and he thought the hon. member should not interrupt the progress of a Bill of such immense importance to the colony by introducing such amendments.

Mr. GLASSEY said he hoped the hon. the leader of the Government did not impute motives of an improper character to him. He had been elected to do certain work, and sincerely trusted the hon. gentleman would permit him to do that work without giving him lectures from time to time as to the course he should pursue. As he had said in his former remarks, they had it on record that a person at Mackay procured fuel by employing black men at 10s. a week and food.

The MINISTER FOR LANDS: What record?

Mr. GLASSEY: The report of the Trades and Labour Congress for March last.

The MINISTER FOR LANDS: What is it worth?

Mr. GLASSEY said when the information was given by a workman in the manner described, he thought the veracity of that workman was equally as sound and valuable as that of the hon. gentleman who called it in question, notwithstanding that he was a working man. With respect to himself posing as the working man's friend, let him tell the hon. the leader of the Government that he had not that day become a convert and advocate of the interests of the working man. He had stood in that position for many years past. He had not at all times stood in the position of their paid agent, but had often worked in their behalf to the best of his ability, at considerable disadvantage to himself. In taking the course he had he was simply doing his duty, and he hoped the hon. gentleman did not impute any dishonest or impure motives to him. What he had undertaken to do he would do to the best of his ability, and he should certainly move an amendment dealing with the hours of labour and the wages workmen should receive on Government contracts. It might not be acceptable to some hon. members, but he could not help that; he was there to do his duty, and should do it regardless of what others might think or say about it. With respect to the amendment he had moved regarding black labour it did not seem to be of any great importance, after the remarks of the hon. gentleman at the head of the Government, but he hoped the Minister for Railways would see his way to accept the one he was about to propose. At all events, he should submit it to the consideration of the Committee. He begged to withdraw the amendment.

Amendment, by leave, withdrawn.

The PREMIER said: With reference to the remarks of the hon. the leader of the Opposition as to the term "furnishing labour," it was a technical term, well understood in the engineering profession. There was a great amount of work that could not be done by piece work, and men contracted to furnish labour at so much a day.

Mr. GLASSEY moved that the following words be added after the word "proper" at the end of the first paragraph of the clause:—

> Such sum to be as much as will secure to the workmen employed thereon the full current rate of wages, such rate being not less than 8s. per day for unskilled labour, and 10s. per day for skilled labour; the full working day not to exceed eight hours exclusive of meal time, and the full working week not to exceed forty-eight hours.

The HON. SIR S. W. GRIFFITH said he thought the amendment ought not to be treated so lightly as it appeared to be. The hon. gentleman in charge of the Bill ought, at least, to say why he objected to it.

The MINISTER FOR RAILWAYS said it would be absurd to make such a provision apply only to men employed on railways. If applied at all it should be applied throughout the colony. Besides, they seemed to be going back a hundred years when the justices settled the rate of wages for each parish.

Mr. GLASSEY said it was only intended that such stipulations should be made when contractors were about to take contracts under the Government, in order to secure to the workmen that they should not be asked to work more than a certain number of hours a day, and that they should receive a certain sum of money for the work performed. Otherwise a contractor might want his men to work nine hours a day for a wage of 6s.

The PREMIER said he hoped the hon. member would withdraw his amendment. It would be quite impracticable in a Bill of that kind, for it would actually mean nothing. What was to become of men who, in emergencies, worked more than forty-eight hours a week? There was a friend of the hon. member's who voted with him on a very ridiculous eight-hours' motion—how would that hon. member apply it in his own business? That hon. member's shop-boy, no doubt, came and cleaned up the shop at 7 in the morning; did another boy come at 3 o'clock in the afternoon to do the rest of the work? How, again, would it apply in the case of domestic servants? In short, such an amendment would hamper the commissioners unnecessarily, and would not have the slightest effect in the direction desired by the hon. member. The eight-hours' system was established in the colony as far as public opinion could go at the present time, and as the amendment was out of place in a Bill of that kind, he would ask the hon. member to withdraw it. The hon. member could not improve the condition of the working classes by introducing the sumptuary laws of 150 years ago. He hoped the hon. member would acquit him of attributing to him improper motives; he never used a word which could be construed into anything of the kind.

The HON. SIR S. W. GRIFFITH said the amendment would not in any way carry out what the hon. member desired, nor would it even tend in that direction. What was proposed was that when the commissioners were making a contract they were to see that the contract price was sufficient to secure to the men employed by the contractor a certain rate of pay for a certain number of hours' work. How would they be able to secure that? How could the commissioners insist that the men employed by the contractors should not work more than eight hours a day? Surely the rate of wages would depend upon the kind of work to be done. He did not see how it could be fixed by Parliament, especially as it fluctuated from time to time. Certainly it could not be done by simply providing that the commissioners should not let contracts at too low a price. They could not prescribe the conditions of contracts by that Act of Parliament.

Mr. GLASSEY said he presumed that one of the first things a contractor would do would be to make a calculation as to what wages he would have to pay his workmen; also the number of hours that those workmen were to be employed; and he would take his contract on those terms. However, he would accept the Premier's suggestion under the circumstances, and, with the permission of the Committee, withdraw his amendment, hoping that some time shortly the hon. gentleman would introduce a Bill to give general effect on the eight-hours' system.

The PREMIER: No; you bring in the Bill, and I will support it if it is intelligent.

Mr. GLASSEY said that would depend entirely upon what the hon. gentleman considered intelligent. The hon. gentleman looked upon his amendments as absurd, while he (Mr. Glassey) considered that they were intelligent amendments.

Mr. ANNEAR said the hon. member seemed to want to fix a minimum rate of wages. What would happen in that case to a man fifty or sixty years of age, who naturally could not do as much work as a man of thirty-five? He would be sent into the streets to starve, or do something worse. He knew as much about working men as the hon. member did, and he could inform him that they were an intelligent body of men, who did not want to be dictated to, and told what was right and what was wrong. The hon. member presumed to be the only authority on the question in the colony, but he was nothing of the sort.

Amendment, by permission, withdrawn.

Mr. DRAKE moved that in the new proviso, as proposed, the words "or labour" be inserted after the word "material."

Amendment put and agreed to.

The MINISTER FOR RAILWAYS moved that in the 29th and 31st lines the word "materials," and in the 35th line the word "material" be omitted, with the view of inserting the words "fuel, materials, or labour."

Amendments agreed to.

Mr. AGNEW said he could not quite understand what those words "fuel, materials, or labour" meant. Did it mean that if a contract were to be made, the Government would specify what fuel was to be used in the contract?

Mr. ANNEAR said the Minister for Railways was well aware that at the present time there was an arbitration clause, under which the Government had power to appoint two arbitrators and the contractor one. Would that remain in force, or was it to be altered? He saw the clause mentioned "the mode of determining any dispute which may arise concerning, or in consequence of, such contract." Would the present clause remain intact, or would it be altered?

The MINISTER FOR RAILWAYS said that would be entirely a matter for the commissioners to determine. The present contract forms would be there for them, and they could adopt them if they liked, although they were not bound to do so.

Clause, as amended, put and passed.

Clause 39—"Commissioners may compound for breach of contracts"—put and passed.

On clause 40, as follows:—

"The commissioners may make by-laws with respect to any of the following matters, that is to say—

(1) Regulating the mode by which, and the speed at which, trains are to be moved or propelled;

(2) Regulating the times of the arrival and departure of any such trains;

(3) Regulating the loading or unloading of such carriages, and the weights which they are respectively to carry;

(4) Regulating the receipt and delivery of goods and other things to be conveyed upon such trains;

(5) Fixing the amount of fares for the conveyance of passengers, and the charges for the carriage of animals, goods, and parcels, and the circumstances and conditions under which special rates for the carriage of goods in quantities will be made;

(6) Preventing the commission of any nuisance in or upon the carriages, or in any of the stations, buildings, piers, wharves, or jetties vested in the commissioners;

(7) Providing and regulating the use of smoking carriages or compartments;

(8) Preventing the emptying of sewage or drainage on to any of the railways, or on to any lands, stations, buildings, piers, wharves, or jetties vested in the commissioners;

(9) Regulating the exercise of the several powers vested in any pier-master, wharfinger, or berthing master;

(10) Regulating the admission of vessels to any pier, wharf, or jetty hereinbefore mentioned, and their removal from the same, and for the good order and government of such vessels, whilst at such pier, wharf, or jetty;

(11) Regulating the use of any such pier, wharf, or jetty;

(12) Regulating the shipping, unshipping, landing, warehousing, stowing, depositing, and removing of all goods from or at any such station, building, pier, wharf, or jetty;

(13) Regulating the conduct of all persons (not being an officer of the Marine Board, or of the Department of Harbours and Rivers, or of the Customs), while upon or in any such station, building, pier, wharf, or jetty, or while employed at or near the same;

(14) Regulating, subject to the approval of the Marine Board, the use of fires and lights within or on board any vessel being at any such pier, wharf, or jetty;

(15) Preventing damage or injury to any vessel or goods at any such station, building, pier, wharf, or jetty;

(16) Regulating the duties and conduct of porters, cabmen, carmen, draymen and carriers (not in the employment of the commissioners), employed at any such station, building, pier, wharf, or jetty;

(17) Requiring such persons to obtain licenses for themselves and vehicles plying for hire from the commissioners, and fixing the charges to be paid to them for carrying any passengers, goods, articles or things from or to the same;

(18) Fixing the amount of tolls to be paid by any vessel using any such pier, wharf, or jetty, or any crane, the property of the commissioners; and for fixing the amount of tolls to be paid on goods brought to or taken from any vessel using any such pier, wharf, or jetty, by lighter or other vessel;

(19) Fixing the amount of tolls upon animals and goods received or delivered upon or from any such pier, wharf, or jetty;

(20) Regulating generally the travelling or traffic upon, or using or working of the railways, and of the stations, buildings, piers, wharves, and jetties hereinbefore mentioned; and for the good government and maintenance of order thereon;

(21) Specially regulating the conduct of the traffic during any reconstruction or repair of any railway or tramway;

(22) Regulating the terms and conditions upon which special trains will be run;

(23) Regulating the admission of the public to any of the railways, and to any of the stations, buildings, piers, wharves, or jetties hereinbefore mentioned; and for fixing a charge therefor, or for dispensing with the same on certain days or for certain times;

(24) Regulating the use of stamps as pre-payment upon parcels;

(25) Regulating the sale of tickets at places, other than railway stations, and the conditions under which such tickets shall be sold;

(26) Fixing demurrage charges, where goods are to be loaded into or discharged from trucks by owners, consignors, or consignees;

(27) Fixing the charges for warehousing goods, and the charges to be paid in respect of parcels and luggage left for transit or for care or custody, and the conditions upon which they respectively will be received;

(28) Regulating the disposal of unclaimed goods;

(29) Imposing conditions upon which passengers' luggage will be carried;

(30) Preventing or regulating bathing or fishing in or shooting over or upon, any reservoir or tank connected with any of the railways;

(31) Regulating the carriage of corpses, and for prohibiting the carriage or conveyance of the bodies of persons who have died from any contagious disease;

(32) Prohibiting the carriage or conveyance of diseased animals, and preventing them from coming upon any station or premises;

(33) Preventing damage or injury to railway stations, buildings, piers, wharves, jetties, premises, carriages, gates, fences, or any property whatever;

(34) The issue of free passes on the railways;

(35) Regulating public or private traffic across any of the said railways, on the level thereof, and for preventing animals from trespassing on any of the railways;

(36) Altering or repealing any by-laws made heretofore with regard to the railways;

(37) Regulating the manner in which public notices shall be advertised, and generally with regard to advertising in newspapers and elsewhere;

(38) Facilitating and regulating the insurance of persons travelling on the lines of railway by any accident insurance company now or hereafter to be formed.

"A by-law may impose reasonable fees or charges for or in respect of licenses granted under any of the by-laws.

"A by-law may impose a penalty for any breach thereof, and may also impose different penalties in case of successive breaches.

"But no such penalty shall exceed twenty pounds."

The HON. S. W. GRIFFITH said that was a very important clause, and there were one or two matters in it which deserved consideration. The most important thing he thought was paragraph 5, which dealt with the by-laws

"Fixing the amount of fares for the conveyance of passengers, and the charges for the carriage of animals, goods, and parcels."

Those words were general, but he thought it would be just as well to omit the remainder of the paragraph—

"And the circumstances and conditions under which special rates for the carriage of goods in quantities will be made."

He considered that was the place to insert the general proviso about undue preference. That proviso should be very much as in the 101st clause of the Railway Act of 1863, which he had read last night, and which had stood fire for so long. He suggested that it would not be out of place there.

The MINISTER FOR RAILWAYS said that he had something to propose before they came to that paragraph. After the 4th paragraph he proposed the following new paragraph:—

Regulating the conditions under which, and the times when, gunpowder and other explosives shall be carried, and prohibiting the carriage of dangerous explosives.

Amendment agreed to.

The MINISTER FOR RAILWAYS said it might be thought necessary to make special rates for certain particular freight. It might happen that it was considered desirable to carry passengers, or merchandise, or live stock, in some places for 150 miles at the same rate which was charged in other places for 100 miles. The commissioners, he thought, should have power to make special rates in cases of that sort.

The HON. SIR S. W. GRIFFITH said when they had given a general power they could not make that power any greater. If they began to enumerate different things the only result would be that people would think that the general power could not mean everything, because they were trying to add something to it. The paragraph virtually gave them power to do everything, and several other things. He would suggest the insertion of the 101st clause of the Railway Act of 1863, to prevent undue preference being given.

The PREMIER: Clause 24 provided for that

The HON. SIR S. W. GRIFFITH said clause 101 of the Railway Act of 1863 said charges should be made at the same rate in respect of all passengers or goods of the same description conveyed under the same circumstances over the same portion of the line. He was not sure whether clause 24 covered all that or not.

The PREMIER said he thought the hon. gentleman was quite right. The words "and the circumstances and conditions under which special rates for the carriage of goods in quantities will be made" did not strengthen the clause at all, but rather limited it. The effect of paragraph 5 would be limited by clause 24.

Mr. DRAKE said there had been a proviso to clause 25, which had been negatived, to the effect that the same charges should apply alike to all persons using the railways. He presumed that proviso was intended to have the same operation as the 101st clause of the old Act.

The MINISTER FOR RAILWAYS moved that the words "and the circumstances and conditions under which special rates for the carriage of goods in quantities will be made" be omitted.

Amendment agreed to.

The MINISTER FOR RAILWAYS moved that the following new paragraph follow paragraph 5 :—

Describing which tolls, fares, rates, or other charges, if any, shall be prepaid.

Agreed to.

The HON. SIR S. W. GRIFFITH said he might suggest that in paragraphs 6 and 8 the words "or under the control of" be inserted after the words "vested in." Wharves, jetties, &c., might be under the control of the commissioners without being vested in them.

The MINISTER FOR RAILWAYS moved that after the words "vested in," in paragraph 6, the words "or under the control of" be inserted.

Amendment agreed to.

Mr. BARLOW said the 7th paragraph might not be sufficient to provide for a by-law prohibiting smoking in a carriage that was not set apart for that purpose.

The HON. SIR S. W. GRIFFITH said there was nothing to authorise the forbidding of smoking in carriages or at stations, but there ought to be. Perhaps smoking at stations might be dealt with under the by-law for the maintenance of order at stations.

Mr. BARLOW said he would move the insertion, at the end of the subsection, of the words "and prohibiting smoking in any carriage not set apart for that purpose." He was willing to substitute for it any amendment having the same object in view.

The HON. SIR S. W. GRIFFITH said it would be better to provide for permitting or prohibiting smoking in stations, buildings, or carriages. He moved the omission of the 7th subsection, with the view of inserting the words, "Permitting or prohibiting smoking in stations, buildings, or carriages."

Amendment put and passed.

The MINISTER FOR RAILWAYS moved the insertion, after the words "vested in", in subsection 8, of the words "or under the control of."

Amendment put and passed.

The HON. SIR S. W. GRIFFITH said that there was an omission in the 16th subsection. As it stood now, it would only apply to porters employed at stations, and not to cabmen, carmen, draymen, and carriers, who would be merely plying for hire. He moved the insertion, after the words "employed at," of the words "or plying for hire to or from."

Amendment put and passed.

The MINISTER FOR RAILWAYS moved the insertion of the words "railway stations and other" after the word "at," in subsection 25.

Amendment agreed to.

The MINISTER FOR RAILWAYS moved the omission of the words "other than railway stations," in the same subsection.

Amendment agreed to.

On the motion of the MINISTER FOR RAILWAYS, subsection 31 was amended so as to read as follows :—

Regulating or prohibiting the carriage of corpses, and for prohibiting the carriage or conveyance of persons intoxicated or suffering from disease or otherwise likely to interfere with the health or comfort of other passengers.

The HON. SIR S. W. GRIFFITH said he would like some explanation of subsection 34 for the issue of free passes on the railways.

The MINISTER FOR RAILWAYS said they had one specific clause regulating the issue of free passes, but other free passes would be required for workmen on the line, officials, members of the Defence Force, and so on, and those would be regulated by the commissioners.

Mr. PALMER asked what precautions would be taken to carry out subsection 32 prohibiting the carriage of diseased animals. For instance, if an attempt was made to convey sheep affected with scab, they might be shipped on the railway, and even arrive at their destination, before th discovery that they were diseased was made.

The MINISTER FOR RAILWAYS said the subsection gave the commissioners power to prohibit the carriage of diseased animals, and they would make regulations and take the proper steps to see whether the animals were diseased or not.

The HON. SIR S. W. GRIFFITH said there was something wrong about subsection 38, which proposed to regulate the insurance of persons travelling on the railways by accident insurance companies. He did not see how that could be done. The commissioners could not prohibit insurance companies from insuring passengers against accident.

The MINISTER FOR RAILWAYS said the intention was that the commissioners should have the power of saying what companies should have the privilege of selling accident insurance tickets in the stations.

The HON. SIR S. W. GRIFFITH said that might be the intention, but that was not the way in which it read. The word "regulating" in the subsection was absurd, "facilitating" was enough.

The COLONIAL SECRETARY said he did not think after all that the word "regulating" was absurd. It could not do any harm, and it might prevent the operations of bogus companies.

The HON. SIR S. W. GRIFFITH said how could it? The Bill should be made intelligible, and there was a danger that it might indicate that the commissioners could make regulations to interfere with the rights of insurance companies. A doubtful word like that always tended to litigation.

The PREMIER said he thought it would not be advisable to leave out the word "regulating." By simply putting in the word "facilitating" they would be giving a sort of instruction to the commissioners, but by retaining the word "regulating" they would give them a discretionary power as to what companies' tickets they would permit to be

sold at the railway stations. They must give the commissioners power to say, "We will sell these companies' tickets, and no other." All the companies in England only sold certain accident insurance tickets by their officials.

The HON. SIR S. W. GRIFFITH said if it was intended that the tickets should be sold by the railway officials, those words did not express that, and they would have to use some such words as authorising the sale of policies of accident companies on railway premises.

The COLONIAL SECRETARY said the 37th subsection appeared to meet the matter, as it related to "regulating the manner in which public notices shall be advertised, and generally with regard to advertising in newspapers and elsewhere." He did not suppose the Government intended to insure themselves, and therefore there was no necessity for subsection 38.

The HON. SIR S. W. GRIFFITH said what was wanted to be done was to authorise the carrying on of business on railway premises by insurance companies.

The PREMIER: No; by railway officials.

The HON. SIR S. W. GRIFFITH said those words did not express that at all, and certainly the word "regulating" was unnecessary.

Mr. BARLOW said he would like to insert an amendment at the end of the clause after the words "twenty pounds" to the following effect:—

Except penalties imposed for the breach of any by-law relating to the carriage of explosives or corpses.

He did not think any punishment too severe for a man who violated such regulations.

The HON. SIR S. W. GRIFFITH said that before the hon. member moved that he would propose that the words "and regulating" be omitted.

Amendment put and passed.

Mr. BARLOW said that instead of moving the amendment he had suggested, he would propose that the word "twenty" be omitted with the view of inserting "fifty."

Mr. DRAKE said the hon. member had changed his mind since he first suggested his amendment; which was simply to impose a higher penalty for the breach of two particular by-laws. Now, the hon. member proposed to raise the maximum penalty all round, and leave it to the justices before whom any person might be brought for a breach of the by-laws to fine him up to as high as £50.

Mr. BARLOW said they would not be obliged to fine a man £50 for smoking in a railway carriage. But he submitted that £20 was not a sufficient penalty for sending by rail nitroglycerine which might blow up the whole train; or for sending by train a corpse which might disseminate a contagious disease.

The PREMIER said that when any person committed an offence like that the punishment did not stop at what the commissioners might inflict, but the man would be liable to the law of the land.

The HON. SIR S. W. GRIFFITH said he was not so sure of that, though it ought to be so. There were many acts besides the one or two the hon. member had mentioned for which £20 was too small a penalty, and he did not think there would be any danger of abuse if the amount was raised to £50.

Amendment agreed to; and clause, as amended, put and passed.

Clause 41—"By-laws of commissioners to be approved by Governor"—passed as printed.

On clause 42, as follows:—

"1. The commissioners shall cause the substance of such by-laws and a list of all the tolls, fares, and charges which they from time to time shall direct or appoint to be taken, to be painted upon or to be printed and affixed to boards in large and legible characters, and shall cause such boards to be exhibited in some conspicuous place in or on every station, pier, jetty, wharf or other place where such tolls, fares, or charges, or any of them are payable, and according to the nature and character of such by-laws respectively, so as to give public notice thereof; and shall cause every such board from time to time to be renewed, if destroyed or defaced.

"2. The exhibiting on boards of the substance of such by-laws, and lists of tolls, fares and charges, shall be deemed to have been complied with, if it be proved that, at the time of any alleged breach, a board was exhibited in accordance with the provisions of the next preceding section, at the station, pier, wharf, jetty, or other place where tolls, fares or charges were payable, nearest to the place where such breach took place. The production of the *Gazette* containing such by-law shall be sufficient evidence, until the contrary is shown, that such by-law has been duly made, sealed, and approved, and that it is still in force."

The MINISTER FOR RAILWAYS said he intended to move an amendment on that clause, as it had been found extremely difficult to carry out the regulations therein proposed with regard to "tolls, fares, and charges." He thought it would be very much better to deal with them in a separate clause. He moved the omission of the words "and a list of all the tolls, fares, and charges which they from time to time shall direct or appoint to be taken."

Amendment agreed to.

The MINISTER FOR RAILWAYS moved the omission of the words "or other place where such tolls, fares, or charges, or any of them are payable and" with a view of inserting the words "public level crossings or stopping place."

Amendment agreed to.

The MINISTER FOR RAILWAYS moved that in line 29 the following words be omitted "and list of tolls, fares, and charges."

Amendment agreed to.

The MINISTER FOR RAILWAYS moved the omission of the words "the next preceding," in line 33, with a view of inserting the word "this."

Amendment agreed to.

The MINISTER FOR RAILWAYS moved the omission in lines 33 and 34, of the words "or other place where tolls, fares, or charges were payable," with a view of inserting the words "public level crossing or stopping place."

Amendment agreed to.

The MINISTER FOR RAILWAYS moved that the word "such," in line 34, be omitted, with the view of inserting "the notification of the approval of a."

Amendment agreed to.

Clause, as amended, put and passed.

The MINISTER FOR RAILWAYS moved that the following new clause be inserted.

The commissioners shall cause to be kept at each railway station, pier, jetty, wharf, or other place where tolls, fares, or charges are payable, a book or books showing every rate for the time being charged for the carriage of passengers, animals, or merchandise to and from that station, pier, jetty, wharf, or other place, to and from any other station, pier, jetty, wharf or other place, to or from which traffic is sent or received, including any rates charged under special contract.

The HON. SIR S. W. GRIFFITH said the clause would do very well, but it could not be strictly carried out any more than the previous one. He knew a station in the colony which

consisted of a post with a piece of board across the top with the name on. The clause would not apply to such places as that.

Question put and passed.

The HON. SIR S. W. GRIFFITH moved the following new clause:—

A by-law or any part of a by-law may be repealed by the Governor in Council.

He said that was the form adopted in the Divisional Boards Act.

Question put and passed.

Clause 43, as follows:—

"All rules, regulations, and by-laws in force at the commencement of this Act having reference to the Government railways, and not inconsistent with the provisions of this Act, shall be read and construed as if the commissioners appointed under this Act had been therein named, and shall be deemed to have been made under the authority of this Act, and shall be and remain in full force and effect until altered or repealed by rules, regulations, or by-laws, made under the authority of this Act"—

was amended, on the motion of the Hon. Sir S. W. GRIFFITH, by the insertion of the words "the same had been made by" before the words "the commissioners," the omission of the words "had been therein named," and the omission of the words "by rules, regulations, or by-laws made."

Clause, as amended, passed.

On the motion of the MINISTER FOR RAILWAYS, the CHAIRMAN left the chair, reported progress, and obtained leave to sit again to-morrow.

ADJOURNMENT.

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