

Queensland



Parliamentary Debates
[Hansard]

Legislative Assembly

WEDNESDAY, 7 AUGUST 1889

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LEGISLATIVE ASSEMBLY.

Wednesday, 7 August, 1889.

Introduction of Javanese into Queensland.—Supply—
resumption of committee—financial statement—
Adjournment.

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

INTRODUCTION OF JAVANESE INTO
QUEENSLAND.

The PREMIER (Hon. B. D. Morehead) laid
upon the table of the House a return moved for
by the hon. member for Enoggera in reference
to kanakas in Queensland; and moved that it be
printed.

The HON. SIR S. W. GRIFFITH said: Mr. Speaker,—In connection with this return, I take the opportunity of mentioning that there was a return laid upon the table of the House some time ago containing correspondence concerning the introduction of Javanese into Queensland, and that correspondence, from my recollection, was incomplete. A great deal of important correspondence was left out; it did not contain the correspondence that I remember at all.

The PREMIER said: Mr. Speaker,—I was not aware that there was any further correspondence in the Colonial Secretary's office. If there is, it will be laid upon the table of the House.

Question put and passed.

SUPPLY.

RESUMPTION OF COMMITTEE.

On the motion of the COLONIAL TREASURER (Hon. W. Pattison), the Speaker left the chair, and the House resolved itself into a Committee of the Whole to further consider the Supply to be granted to Her Majesty.

FINANCIAL STATEMENT.

Question—That there be granted to Her Majesty for the service of the year 1889-90 a sum not exceeding £300, to defray the salary of the aide-de-camp to his Excellency the Governor—put.

Mr. DALRYMPLE said: Mr. Jessop,—I rise to express the satisfaction I feel at the Financial Statement delivered by the Treasurer. From that statement it is apparent that the downward progress which we observed in the financial affairs of the colony for some years has been arrested; and the position of affairs having been altered, we may be said to have taken the first step towards the restoration of financial health. Hon. members on the Opposition side seemed disposed to grumble, first of all at the taxation adopted by both sides, and then at the fact that the deficit has not been further reduced. I say it is most unreasonable to grumble, in the first place, because we have put on additional taxation and in the next place because, apparently, the taxation we put on was not sufficient—because in no other way could a further reduction have been made in the deficit. That goes to show that the Opposition are rather sorely put to it to find grounds for condemning the financial policy of the Government. The hon. member for Ipswich, Mr. Barlow, pointed out that the deficit would have been greater but for the drought, because in consequence of the drought many dutiable articles had to be imported, which would otherwise have been produced in the colony. He also attributed the deficiency to the loss in railway revenue. Though it is quite true that some produce was introduced in consequence of the drought, had it not been for the drought a very much larger sum would have been received from the railways; and I am sure that so far from the Treasurer having to congratulate himself on the drought adding to the revenue, to the drought is attributable the fact that the deficit has not been diminished to a greater extent. I do not share the pessimistic views which some members opposite take—though the leader of the Opposition said he was not a pessimist at all. Of course our railway expenses cannot be reduced below a certain rate—we must keep up our supply of trucks and carriages whether they are loaded or empty—but in a good season the traffic will greatly increase and the greater portion of the receipts will be net profit. We must also bear in mind the change in the management of our railways, the result of which will be the elimination of

many elements which now add to the cost of our railways. Considering that fact, together with the improvement in the seasons, and the administration of the affairs of the colony by men of good business capacity, I think we may look forward with confidence to the yearly diminution of the deficit. The hon. member for Toowong said last night that if the present tariff had not been imposed, the country would have been £140,000 to the bad. There is no doubt about that; and it is only another way of saying that if the leader of the Opposition had been in power the country would have been £140,000 to the bad; that is to say, this very tariff, of which the Opposition complain, has been the means by which the country, instead of going to the bad, has greatly improved its position.

The HON. SIR S. W. GRIFFITH: We would have raised that much by other means.

The COLONIAL TREASURER: You did not disclose them.

Mr. DALRYMPLE: Another cause of complaint on the part of the hon. member for Toowong is that the Government spent £320,000 more last year than was spent in the previous year. The question, however, is not the total amount spent, but whether the amount spent was necessarily spent—whether, in fact, the expenditure was avoidable or unavoidable. There is no doubt that the country was committed to a certain amount of expenditure by arrangements made before the present Government came into office. Then we have to remember that the railways of the colony are continually increasing, and in this country, where the Government run the railways, every additional mile of railway must add to the expense. That expense might of course be balanced by the returns of the railways. Nevertheless increased expenditure must go on and increase the public accounts of the colony. It is the same with public buildings and other works, so that it is inevitable that every year, as the colony is continually growing and settlement expanding, there must be an addition to the cost of governing the colony. Another thing we have been told—I have no doubt with correctness—is that a year or two ago in consequence of difficulties in connection with the finances of the colony, the Government of the day, which was led by the present leader of the Opposition, were endeavouring, so far as they possibly could, to govern the colony inexpensively; and we have been also told that in consequence of the endeavours which were then made to economise, it was found afterwards that we had to pay for that economy, and spend more than would have been necessary had the expenditure been spread over a term of years. There has been no attempt made by any member of the Committee to prove that the expenditure of this sum of £320,000, which the hon. member for Toowong has pointed out as being excessive—that is to say, in excess of the expenditure of the year before—could by any means whatever have been avoided. The hon. member further went on to say that the finances showed a want of care and economy in the expenditure, and almost in the same breath, certainly in the next sentence, he stated that the Government should have spent £90,000 more on public works—that is to say, he complains almost at the same time, both that the Government is not spending money and that it does spend money. The hon. member said he was unable to understand how it was that the returns from the Southern railways were only £1 8s. 6d. per cent. I think it is very easy to understand. In the first instance I will mention the drought, which would undoubtedly diminish the returns. But the most important circumstance to remember—whether the Committee

approves of the remark or does not—is that it is a fact that railways are given to constituencies for political reasons. Whichever party is in power, that party increases their influence and increases the hold they have upon any electorates by giving those electorates railways or granting them some other expenditure of public money, and what we find is this, that in the Southern portions of the colony the average returns from the railways is £1 8s. 6d. per cent.

Mr. UNMACK: That is the average return from all the railways in the colony.

Mr. DALRYMPLE: At any rate we find that the railways in the Northern portion of the colony give a considerably larger return, and I think that is very much to be accounted for by the fact that the people in the South are nearer to the seat of Government and can exercise more influence on the Government. I believe, however, that it would have been better for the country had more railways been built in the North, which would have returned a higher rate of interest, but I have no doubt that the Government have been unable to relieve themselves of certain pressure. I trust this very low return from the railways will not be permanent, and I sincerely hope that the appointments made of late will go some way towards enabling us to show an increase in the earnings of our railways. The hon. member for Toowoomba stated that he desired certain information with regard to the Wide Bay Railway. That information was given to him, and it was shown that the low return for that railway, which was apparently only 5s. 5d. per cent., was owing to the Government having, very wisely I think, charged to revenue what they might have charged to capital account, and what I am afraid in many other cases in the past has been charged to capital. With regard to the Mackay Railway, the hon. member stated that the expenditure last year had increased by £379, while the income decreased. It is a fact that is well known that the crop of sugar last year was exceedingly low, and the passenger traffic also was exceedingly low. Alterations will, no doubt, be made in the present state of affairs, but they cannot be made immediately, nor can the expenses of any given line be reduced beyond a certain amount. But I am in hopes that this year the loss on that line will no longer exist. I should like to point out that although this line may appear to have been unwisely constructed, it would undoubtedly have paid exceedingly well had the leader of the Opposition not got into power. In making this statement I am not actuated by any animosity towards the hon. gentleman, whose talents are respected exceedingly; but the moment it was known that he had come into power, that moment a very great number of people who were prepared to erect sugar mills determined not to erect them. The cause was a want of confidence on their part; they may have been mistaken or they may not, but the direct result was that a lot of exceedingly fertile country, which would have been opened up, remained, and still remains, in a state of nature; and whilst at the time the railway was constructed there was every prospect of its paying, looking at the reasonable expansion of the sugar industry, which was apparent, the line has not been profitable to the extent to which it was hoped. That certainly is owing to the alterations in the political conditions. I observe, too, that the hon. member complained that increased taxes were not put on beer and spirits; that the excise duty on beer was repealed, and that for it was instituted Customs duties which have made up the loss to the State. I notice also that almost every hon. member who has spoken on this question expressed the same opinion. Many

members on this side, myself included, were in favour of adding to the duties on spirits in the same way as some members on the other side proposed, but when we found at the close of the debate—I am speaking of the debate on the tariff—that the Treasurer had obtained a sufficient sum of money to meet his requirements, we, of course, did not press that matter. It is one thing to say that we would put a certain amount of taxation upon the people in order to avert financial disaster or to pay our way, and it is quite another thing to say that even after we have got what we wanted we will persist in taking money from the pockets of the people. That course of action is really putting unnecessary burdens upon the people. I observe that there is a tendency on the part of the members of the so-called Liberal party to put on taxation apparently for taxation's sake, and I should call them perfect gluttons for taxation. We frequently hear them say, "Why don't you put on a land tax or an income tax? Why don't you tax dividends, and so on? Why don't you keep on dragging money from the people?" I will tell you one reason. Those members are, I believe, somehow under the impression that by taking money out of the people's pockets, and putting it into the Treasury, they can double the money. But the money disbursed from the Treasury is not distributed entirely in the colony. That money is got from the pockets of the people, and put by the State to the building of public works, but it is done at the expense of the people from whom it is taken, and who, if left in possession of it, might apply it themselves to some useful purpose. It seems to me a monstrous thing to impose taxation unless it is absolutely required. The State cannot do any good by taking money from the country at large, and expending it on any particular railways, and if it does so, it is at the expense of those persons from whom it is taken. What appears in one direction does not appear in the other. In one case you see what is done, and in the other case you do not see what is lost.

Mr. BARLOW: It is to cover the railway deficit—the loss on the working of the railways.

Mr. DALRYMPLE: Now the hon. member for Toowoomba, in the course of an interesting speech, said, with respect to the Minister for Lands, that in consequence of that gentleman having said he was in favour of sales of land by auction, he was, therefore, in favour of the aggregation of large estates. Now a man may be in favour of sales of land by auction, without being in the least in favour of the aggregation of large estates. It is perfectly evident, by the context of the remarks of the Minister for Lands, that when he made the statement that he was in favour of sales of land by auction, he meant on the lines existing at the present time. That was perfectly obvious, and the hon. gentleman has told us the same thing repeatedly. He has told us that he is in favour of selling what the law permits to be sold—small quantities of land—and that he considers the quantity allowed to be sold at present might be added to some extent with advantage. At any rate he only proposes to sell land in small quantities. It is well known to hon. gentlemen opposite as well as to ourselves that the Land Act has been thoroughly well administered, that every effort has been made to carry it out in its integrity, and that settlement is being pushed on; and I do not think there are any reasonable grounds for charging the Minister for Lands with a desire to cause the aggregation of large estates. The hon. member for Toowoomba further said that these auction sales of land meant ruin to the colony, and he instanced a case immediately afterwards of a sale of land at Cairns. That

case would not at all strike me as one in which the country was likely to be ruined. If anyone is likely to be ruined by that sale it would appear that it must be the purchasers of the land sold on that occasion. Some of that land, the hon. member says, is under water every now and then, and probably the buyers never saw it. If the State has been fortunate enough to get rid of that land, which is occasionally under water, and which it will probably require a considerable amount of money to reclaim; and if, as has been said, the State has got £1,000 for some allotments of that land, I say that by a process of that sort we are much more likely to avert ruin than to court it. The hon. gentleman also said he was in favour of a land tax if it could be fairly imposed. If it was possible to impose a land tax so that its incidence would fall fairly, I would be in favour of it myself, but there is the great difficulty. We will say that it is right to make those people pay it whose property has been benefited by the expenditure of public money; but that statement is held by some hon. members opposite to justify a general land tax all over the colony. I may point out that a great deal of money spent by the State does not benefit all land. It only benefits some land; and, further, I will point out that money which is spent by the State, in many cases, absolutely depreciates the value of property. I will take the case of Bowen—and I can take the cases of Mackay and of Ipswich—to show that the expenditure upon public works for the benefit of the colony at large does not confer any benefit in particular instances. Take the case of Bowen, and I say that, if the railway had not been constructed to Townsville, Bowen would have stood a good chance indeed of obtaining the Charters Towers trade. Gladstone would have stood a better chance than it does but for the construction of the Central line to Rockhampton, and Mackay could expect to secure the Clermont trade but for the construction of that line to Rockhampton. The same thing is the case with respect to Ipswich, and it is by the expenditure of public money in the continuation of the Southern and Western line from Ipswich to Brisbane that Brisbane has succeeded in extinguishing Ipswich as a rival. So that it is by no means easy to put a land tax on in such a way as to charge those people who receive benefit by the public expenditure with the amount they ought to pay. Then, as a general consensus of opinion on the other side, it is held that if the land is sold the country is going to be ruined; that if you put up a certain amount of land by auction, and get a certain amount of money for it, somehow or other it is said we are going to ruin the country. I fail to see it. I defy anyone to take the land away, at any rate. The land remains, and this side of the Committee maintained—sensibly, I think—that it was not the policy of the country to put a land tax on at present, for the simple reason that it is a kind of article that we are dealing in at present, and which we want to get rid of. If we put a land tax on, it is quite evident that the purchase of the land will discount that tax to some extent, and we should not get so much for what we want to sell. That would be the consequence of a land tax. I am positive as to what would be the effect if a land tax was only threatened, as it has been in a shadowy way, for it has never been directly threatened.

THE HON. SIR S. W. GRIFFITH: The resolution was carried in Committee of Ways and Means in this House.

MR. DALRYMPLE: I was not aware of that. Apparently this tax was shadowed forth, and a resolution affirming its desirability, I suppose, was carried. There has since that time been a

considerable amount of money—perhaps £200,000 or £300,000—paid for the sale of land by the State; and I am certain that this fear of the probability of the imposition of a land tax has knocked off at least 10 per cent. of the value of all the land that has been sold. When a man goes to invest his money in land he does so with the hope of making a profit out of it—just as he would do in any ordinary commercial transaction—and if he sees a certain risk, he charges for that risk by giving a less price for the land in consequence of it. And when he does not know how much that risk is likely to be, he is apt to magnify it, and consequently the State, even in the sales which have been made, has, I believe, lost a great deal more than it ought properly to have lost had everybody been quite satisfied that a land tax would be imposed of a certain definite amount. Whenever you propose to put a land tax on, the purchaser considers the tax, and probably magnifies it, in the price he pays for the land. The hon. gentleman also said he was in favour of constructing railways, even if they did not pay directly, because the indirect advantages arising from them were more than sufficient to counterbalance any loss which might be sustained. In my opinion it is not justifiable to construct railways at a loss when you can construct them at a profit, because all you can say about the indirect advantages to the State of railways running at a loss applies equally to railways running at a profit—that is, where the traffic pays a reasonable interest on the cost of construction; and when you have a choice between the two, I certainly should say construct the latter, because it gives you both the direct and the indirect advantages. It has also been said—and denied—that there are more working men out of employment at the present time than there ever were before. On that I simply say that it is an endorsement of a certain opinion I uttered myself not very long ago, after reading the reports of the labour councils in various parts of the colony; and it is certainly a reason why we should not imprudently risk a very much larger number of people being thrown out of employment by any want of consideration to the sugar industry in the North. The same hon. member also complained of the agricultural depression. That depression is, I believe, mainly owing to the drought, and the most serious part of it undoubtedly, if we consider the thousands affected by it, is the depression in connection with the sugar industry, which depression not only is a bad thing for those engaged in it, but is especially bad for many agriculturists in the South, who look to the North for one of their principal markets. There is no question as to what is the best encouragement that can be given to agriculture, and the only one that can ever put it upon a sound basis; and that is to imbue the agriculturist with the belief that he is going to make a reasonably good profit. The moment the agriculturist can see his way to make a profit, you will cease to hear those complaints about the unwillingness of men to engage in agriculture. Perhaps the most important factor in that success is a good market. The hon. member for Ipswich, in the course of his speech, in which he introduced the leopard and the Ethiopian and a whole menagerie of animals, said he did not believe in the tariff, and he did not believe in selling land. He said that the tariff was a bad saddle to place on the people—a saddle which would give the people a sore back. That is quite possible, but I can only say that the hon. member was one of the persons who would endeavour to put the saddle on; but instead of a comparatively light riding saddle, he wanted to put a very heavy stock saddle on the people. And that reminds me of what was said, I think

by one of the Kings of Israel, that his father had laid whips on the backs of the people—that he had scourged them with whips; that, it may be said, is what we have done; but the other side, if they had been in power, would have scourged them with scorpions. The hon. member for Burrum showed, in that very clear and lawyer-like style for which he is celebrated, that during the debates on the tariff which took place in committee last year, it took us on this side of the House all we could do to prevent the other side from adding to the duties. I cannot understand how any hon. member can possibly hope that the people of the colony should have uncommonly short memories, or that *Hansard* is no longer in existence. It is well known to every hon. member of the Committee that on a very great number of articles there was the strongest desire on the part of certain hon. members of the Opposition to add to the duties, which nothing but necessity compelled many of us to support.

Mr. BARLOW: That was for protective purposes.

Mr. DALRYMPLE: It does not matter in the least for what purpose you wanted to put the saddle on. That does not matter to the horse which is going to get the sore back, he does not want to know what it is for. I heard in the North a gentleman of some intelligence say that a tariff was not injurious to the people, because the duties were so high that nobody would buy the articles. But if people will pay a duty on any article whatever, no matter how high the duty may be, the fact that they are paying it shows that it is but a limited injury. I fail to see how hon. members can possibly congratulate themselves and say that they were not taking money out of the pockets of the people, when, as a matter of fact, they put on taxation to such an extent that the people had no option, while if they had put on less duties the people would have exercised their option and paid the duty. But no matter what motives these hon. gentlemen may have had, the fact remains that while they complain of this side of the Committee for putting burdens on the peoples' backs, they were the very ones who struggled their very hardest to put heavier burdens on the backs of the people. It was pointed out also by the hon. member that the deficiency on railways was very much smaller when his side of the Committee were in office. Well, I say that is extremely probable, and, further, that as long as the general average returns of the railways of the colony are only £1 8s. 6d. per cent., it follows that the more railways are constructed the greater will be the deficit. It has also been said that it was made a charge against the hon. the leader of the Opposition, that he had destroyed one of the best sources of revenue in the colony, and whatever else may be said, there is no doubt of this fact: That the present Land Act, however salutary it may be in some respects, up to the present, so far as being a source of revenue is concerned, it has been an abject failure. The effect, so far as I understand it, is this: That although we receive a certain sum of money for the land which has been taken up under the Act, yet that money is only nominal, because the expenses of dealing with the lands are so much that it would be cheaper for us to tell the public to cut it up and help themselves. The whole of the money which has been derived under the Act is, I believe, not sufficient to pay the mere expenses of clerical work, surveys and otherwise, in connection with it; so that there is no doubt that one of our chief sources of revenue has certainly been destroyed. It is said also that it is easy to sell land without regard to the future; but, with or without regard to the future, there are cases in which it is easy

to sell land. What I wish to point out is, that when you do sell land the people cannot take it away; it is open to anyone, whenever the necessity occurs, to put a tax upon that land. So that the fact of it being easy to sell land, and that people are selling land, does not in any respect take away from the people of the colony the right they have got to impose a tax of that kind. It is merely a question whether you will get the money in one way or in another, but you do not sacrifice the lands of the colony. It is merely a question whether it is advisable or desirable to put the tax on first of all, and prevent the land being sold, or sell the land first and put the tax on after. From my experience, I do not think hon. members on the other side, however apprehensive they profess themselves to be with regard to the alienation of land, need trouble themselves on that point, for this very good reason. At present the position is this: A man buys a piece of land at, say, £1 per acre, he pays the State that money, and what happens to him is this: that the rates he would have to pay on the land for which he paid the State £1 would come to more than what he would have to give as rent if he leased the land from the State. If he gave £1 for the land he certainly gave it in order that he should not have to pay rent, and the result is that he pays about double as much in rates as the State would charge him. The consequence is that he has practically made the State a present of £1, and that is not a state of things which I think the country at large has any reason to deplore. But I am certain that, however desirous the Minister for Lands may be of selling large areas of land either West, or on the coast, or up North—I speak of that because I know something about it—he could not possibly sell it. No one will be so foolish as to say, "I will give you £1 an acre first of all, and pay you a great deal more in rent afterwards." The Government, in the dealings which they have hitherto had in connection with land over a large portion of the colony, have every reason to congratulate themselves that they have got the best of the bargain, and that it is the people who have bought the lands who have been victimised. The State need not trouble about making bargains of that sort. They have got the purchase money; that purchase money returned them about three times as much interest as they would get if they leased the land to the people. I think they have done remarkably well.

An HONOURABLE MEMBER: The money has been spent.

Mr. DALRYMPLE: If the State chooses to spend the £1 per acre, it must suffer from its own extravagance. If it sells an acre of land for £1 and invests that money properly, it can get 9d. per acre per annum in perpetuity. If, on the other hand, it lets the land at 3d. per acre, it will take a very long time before it will overtake the 9d. which the investment of the capital amount will bring. Then, again, the hon. gentleman says that we do not know in this colony what taxation is; that we should go to America and the United Kingdom and learn what it means. If we do not know what taxation is, I certainly cannot understand why the hon. member should be so exceedingly dissatisfied with the taxation that has been imposed. He also stated that the taxation comes particularly hard upon people in towns. I cannot follow the hon. gentleman in that statement, nor do I think it is correct. I have yet to learn that people in towns have larger families than those who live in the bush. In fact, my impression, from my observation, has been that if there is any difference it is the other way.

The Hon. Sir S. W. GRIFFITH : Did anybody say so?

Mr. DALRYMPLE : Yes. This was stated, and I infer the other—that the operation of the tariff is particularly hard upon the people in towns, and I shall be glad of any other explanation that can be given of that statement than the one I have given. Of course, from that I assumed that families were mostly in towns, and the inference would be that people who live in the country do not pay as much as people who live in the towns. I do not think that is a fair inference, and there is one thing I should like to mention. The people in the bush are precisely the people who will get the least good out of the tariff, if any good is to be derived from it. One of the results predicted or hoped for from the tariff was that it would build up certain manufactures. Now those manufactures, if they are established, will be established in the towns, so that the towns will get whatever advantage is derived from the tariff. So far from the country people being favoured, they will suffer unduly, as they nearly always do in such cases. In conclusion, I shall merely say that it is a puzzle to wiser men than either the Premier or the Colonial Treasurer how to devise means of taxation which will be popular. I do not know in what way they can go to the country and take any portion of those small coins which occasionally some of us see, out of our pockets so as to please us. Taxation must necessarily be a disagreeable circumstance. Every effort has been made by hon. gentlemen to show that the tariff unduly presses upon the poor man. I should be very sorry indeed to press unduly upon the poor man, but I believe that every man in the State, whether he be poor or whether he be rich, should have to bear his share of the general burden. A large portion of the increased taxation has been derived from the *ad valorem* duties. Now, I do not think that presses unduly upon the poor man. It comes to this—that if a man spends £1 in clothing, fancy goods, or furniture, he pays a certain amount of duty, and if he spends £20 he will spend twenty times as much in duty. The *ad valorem* duty was increased by the leader of the Opposition from 5 per cent. to 7½ per cent., no doubt under pressure, but still very properly, and the present Government have been compelled to increase it still further to 15 per cent. Hon. members opposite may endeavour to show that the burden has been put upon the poor man by this side, but I deny that. However this taxation has been brought about, nothing is plainer than that the cause which has led to the increased taxation was due to this Government being merely the inheritors of a very deplorable state of things which was owing to the other side of the House. The Colonial Treasurer has inherited a deficit caused by the late Government, and the making good of that deficit must be borne by all classes of the community. If the deficit were to be allowed to go on, it would cause a serious diminution in the credit of the colony, and great difficulty would be experienced in getting money in order to carry on our public works. I merely wish to refer to this, because two or three hon. members on the other side have been talking to the public for a long time, and have done so in the hope that they have not got good memories. I say that if the taxation has been placed upon the people of the colony, it has been done reluctantly, and we find that by means of it we are gradually able to grapple with the terrible evil that year by year the finances of the colony were showing a balance on the wrong side. If that were allowed to continue, the colony would soon be in a state of bankruptcy, and that is what we do not want. We also wish the people of the colony to remember that when hon. members

opposite talk of us putting a saddle upon them, the saddle they would have put on was a heavier one, and one which would have wronged their withers far more than the one we put on.

Mr. ISAMBERT said : Mr. Jessop,—The speeches made by hon. members on the Government side on the Financial Statement, so far, cannot be particularly commended. On our side I must admit that able speeches have been delivered, criticising the figures of the statement. I consider the Government have not come out brilliantly in this debate, but none of the speakers have yet got to the root of the difficulty. The hon. gentleman who went nearest to it was the hon. member for Toowoomba. Hon. members have been straining at a gnat and swallowing a camel. The increased taxation simply amounts to 13s. 9d. per head of population; but the chief point which has been left out of the question is the question of imports and exports. We find that the balance of trade is on the wrong side to the extent of £1,317,395, or at the rate of £3 13s. 2d. nearly per head, and not £3 8s., as has been stated. Here lies the difficulty, and it clearly shows that the amount of that balance on the wrong side, is made up by the money we have been borrowing to construct our railways. I have maintained for years, and I still hold the opinion, that so long as the balance of trade is not on the right side, so long is our borrowing policy an act of insanity. It is simply making a mistake in political economy. The balance of trade should be in favour of ourselves by the amount we have to pay annually in interest.

Mr. PHILP : What about Victoria?

Mr. ISAMBERT : It will affect them yet. The brilliant times they have at present will come to an end. Instead of the increased taxation of 13s. 9d. per head being an argument in favour of the Government, it is rather a condemnation of their revision of the tariff, and shows that their tariff is simply a revenue tariff, and does not protect anyone. The country is being drained of its metallic treasures by this injurious system of trade; our industries are affected injuriously by it, and there is no wonder that the times are depressed. Those millions of money that are drained out of the colony never return; but the taxes that are raised here are spent again; and if we put on a little more taxation by means of protective duties the money would remain in the colony and be spent again; and every time it changed hands it would help to produce its value in goods. I cannot congratulate the Government either on their remarks about the Liberal party having landed the colony in debt, or on taking credit to themselves for having wiped out the deficit left by the Liberal party on various occasions. The first time they simply transferred money from the Railway Reserves Fund to consolidated revenue. Anyone could finance in that way. The last time they simply increased taxation. When the present Government were in Opposition they said that increased taxation was not necessary, but when they got into power they found that it was necessary; and the present Opposition, instead of retaliating, assisted the Government to impose increased taxation; so that the Opposition deserve as much credit as the Government for reducing the deficit. Then it has been stated again that the late Government were extravagant. That argument has been so often refuted that it is about time it was dropped. It is childish to reiterate that statement in condemnation of the Liberal party. It is proposed to increase the revenue by selling land, but anybody could do that. And the Government may be sure that if they persist in their injurious policy of selling land in large areas, as they propose, they will only hurry on the time when the country will

turn round and impose a land tax. Then it is said that the Land Act of 1884 does not give sufficient revenue; but it must be remembered that the revenue derived under that Act is a constantly increasing revenue, and that every five years the rents can be increased. Of course the falling off in our railway receipts is only a natural consequence of bad seasons. The chief cause of the unsatisfactory condition of our finances is the fact that the balance of trade is on the wrong side; and if the Treasurer would shift his office to the Custom-house and watch our trade, and put the balance on the right side, he would soon have an overflowing Treasury. But he need not reckon on an overflowing Treasury so long as our industries are in a depressed state, so long as they have to compete with the cheap labour of other countries. With such duties as are imposed here, we are bound to tax the productive energies of our citizens to the highest degree; and if we pit them against the cheap labour of other countries, we cannot expect them to pay taxation at the rate of £9 or £10 per head, because it will be an impossibility.

Mr. FOXTON said: Mr. Jessop,—There are one or two points in connection with the financial condition of the colony which cannot be too frequently emphasised, and I propose to bring them under the notice of the Committee; but I wish first to say a word in reference to some remarks made by the hon. member for Mackay. That hon. gentleman appeared to question the statement of the hon. member for Toowoomba, Mr. Groom, that the intention of the Government, as enunciated by the Minister for Lands, to sell lands by auction to a very considerable extent, was a distinct leaning on the part of the Government towards the aggregation of large estates; and he instanced the fact, as he put it, that it was evident from the speech of the Minister for Lands that it was proposed to conduct those auction sales upon the present lines—I presume he meant the lines on which auction sales have been conducted since the present Government have been in power. But he must have forgotten the fact that there is a Land Bill before Parliament by which it is proposed to increase the area which may be submitted at auction to 320 acres. Now, that practically means that though it cannot be submitted in one lot, still an area of 1,280 acres may be submitted in one block with a road all round it. At the present time four 40-acre lots are put together in one block, with a road all round, each lot having two frontages. I do not know that those blocks of 160 acres have been sold in that way by auction, though they may have been; but I understand that it was in contemplation to do so in one instance. I do not say that was improper in that case, because there were special circumstances; but the ability to do so in the case of 40-acre lots shows the possibility of the same thing being done in connection with 320-acre lots. Four of those lots in one block amount to 1,280 acres, which may practically be purchased by one person at one sale.

The MINISTER FOR RAILWAYS (Hon. H. M. Nelson): Is that a large estate?

Mr. FOXTON: It is part of a large estate; and a few of those 1,280-acre blocks would make a very fair estate.

The MINISTER FOR RAILWAYS: But there are roads all round the 1,280 acres.

Mr. FOXTON: The hon. member for Mackay also referred to a statement made by the hon. member for Ipswich, Mr. Barlow, who likened the tariff to a saddle fitted on an unfortunate horse—the taxpayer—in such a manner as to gail his back. Some hon. member on the other side suggested

that it was put on the wrong horse. I certainly think it was put on the wrong horse. The question at issue between the two sides of the Committee is not whether the deficit should be wiped out or not, but what are the means by which that desirable end should be attained. In connection with this, the hon. member for Mackay made one great point of the fact that the late Government had, by their utter mismanagement, left a legacy of a deficit for the present Government to inherit. But if it had not been—as has been pointed out by hon. members of this side, and cannot be too often reiterated—that the present Government placed additional burdens on the people the deficit would have continued to grow, so that really it is absurd to say that it was through the mismanagement and extravagance of the late Government that the deficit was created. It arose simply from the fact that the late Government did not impose burdens on the people which have now become necessary, and which must be imposed on somebody. But the late Government did propose a method by which those burdens should be borne, not by the galled jade which now bears it, but by a horse which was very much better able to bear it. Several hon. members have referred to the increase in taxation as shown by Table L. Taking the year ending on the 30th of June, 1888, and the year ending on the 30th of June, 1889, it will be seen the increase of taxation per head is 10s. 10d. That is, of course, the taxation from all sources.

The COLONIAL TREASURER: No; that increase is from Customs duties.

Mr. FOXTON: I take the hon. gentleman's own table, which shows that the increase is in taxation from all sources.

The COLONIAL TREASURER: No; it is the increase from Customs.

Mr. FOXTON: I should like very much to know where the other taxation comes in.

The COLONIAL TREASURER: If you look at the tables, you will find where it is.

Mr. FOXTON: I merely take Table L, which has been submitted to the Committee by the Treasurer. In that table the taxation is given under the following heads: "taxation, land revenue, railways, other public works and services, and miscellaneous services." The hon. gentleman says this increase of 10s. 10d. per head arises under the head of Customs only. If that be so, this Table L is entirely inadequate for the purpose for which it is intended.

The PREMIER: The increase is due to Customs.

Mr. FOXTON: Is that what the Colonial Treasurer means?

The COLONIAL TREASURER: The increase in Customs duties is 10s. 10d. per head.

Mr. FOXTON: I will show the hon. gentleman that that is not so. The increase of 10s. 10d. per head, I reiterate, notwithstanding what the hon. gentleman says, is the increase shown by taking all sources of taxation into consideration. The increase in Customs is over 17s. per head for a whole twelve months, as I will show the hon. gentleman by the figures before the Committee.

The COLONIAL TREASURER: I do not wish the hon. member to mislead himself, and I think it is only right to point out that the taxation through Customs for last year was £3 18s. 8d. per head, and the amount for this year is £4 9s. 6d.

Mr. FOXTON: The hon. gentleman does not understand his own tables. I regret to say that; but really it does seem that the hon. gentleman does not understand the tables. In his

desire to set me right—and I appreciate his desire, as he has acted very courteously—he is entirely in error in what he has stated.

The COLONIAL TREASURER: I repeat what I have already said, as I do not wish to see the hon. member mislead himself; the Customs taxation is increased by 10s. 10d. per head of the population.

Mr. FOXTON: If the hon. gentleman will permit me to proceed without further interruption, I shall be glad. I am quite prepared to rely upon my own view of the matter, without the assistance of the hon. gentleman. If he will allow me, I think I shall be able to show him that my view is the correct one. I see the Minister for Railways is going over to instruct the hon. gentleman.

The COLONIAL TREASURER said: Mr. Jessop—I rise to a point of order. I must protest against the rude remarks of the hon. member; I want no instruction from the Minister for Railways and no impertinence from the hon. member for Carnarvon.

Mr. FOXTON: I submit, Mr. Jessop, that I am in possession of the chair. If the hon. gentleman rises to a point of order, I am willing to retire; but I do ask you, Sir, to protect me unless a point of order arises. I will not be interrupted, even by the Colonial Treasurer, except in a legitimate way, and in accordance with the rules of the House. I again repeat that the increase of taxation by 10s. 10d. per head is an increase in the taxation from all sources of revenue by taxation. I will quote now from a table issued by the hon. gentleman, by which he shows very clearly that the net increase in taxation under the tariff for 1888, is no less than £256,558 for nine and a-half months, that is to say, from the 12th of September, 1888, to the 30th June, 1889. This quotation is from a "return showing the amount of Customs revenue collected in the colony of Queensland, from the 1st July, 1888, to 30th June, 1889; also the amounts which would have been collected if the tariff had not been altered, laid upon the table of the Legislative Assembly by command, and ordered to be printed." That increase has simply to be divided among the mean population during that nine and a-half months. On the 30th of June, 1888, the estimated population of the colony was 366,940 souls, and on the 30th of June, 1889, the estimated population was 387,463. I think if we take 375,000 as the mean population for the nine and a-half months we shall be doing a very fair thing, and dividing the increase of £256,558 amongst these 375,000 people, we get for nine and a-half months an increase of no less than 13s. 8d. per head in the Customs duties, instead of 10s. 10d. as stated by the Treasurer. I will make the hon. gentleman a present of half a month.

The COLONIAL TREASURER: Don't be too generous.

Mr. FOXTON: I can afford to do it. There is an increase of 13s. 8d. per head of the population in the taxation through Customs in consequence of the new tariff of 1888. Add one-fourth to that—I take it at one-fourth, though it should really be five-nineteenths for the other two and a-half months to make up the twelve months increase—I say, add one-fourth and we get 3s. 5d., making a total increase of 17s. 1d. in the Customs revenue per head for twelve months ending on the 12th September, 1889. There is no gainsaying those figures.

Mr. MURPHY: Nobody wants to.

Mr. FOXTON: The Treasurer has done so, and the hon. member for Barcoo could not have been present in the Chamber or he would not have made that remark. Departing from that for one moment, let us take the alternative

scheme of taxation which was proposed by the leader of the Opposition when he was in power—the land tax—and let us consider the principles of that tax. It was proposed to impose 1d. in the £1 on the unimproved value of lands over and above the sum of £500 of such unimproved value. To give a common instance frequently occurring in the colony—I will take the case of a man with a farm or other landed property of the value of £2,000, represented by £1,000 unimproved value of the land, and £1,000 for improvements. That man would have been taxed 1d. in the £1 on the second £500 of the unimproved value of his land, and that would have amounted to £2 1s. 8d. A man in such a position might fairly be considered to be in a position to pay his fair share of taxation. He would have had to pay £2 1s. 8d. under the land tax proposed by the leader of the Opposition. Now, let us take the same man, and assume for the sake of argument that he has a wife and four children to support, and let us see what he has to pay per annum under this tariff in the way of extra taxation. He has to pay no less than £5 2s. extra. He has six mouths to feed, and six bodies to clothe, and the consequence is he has to pay six times 17s. in additional taxation under this tariff, or altogether £5 2s., assuming, of course, that the average conditions will apply in his case. I took four children as an average family; but supposing that this man was not in possession of a farm or landed property worth £2,000, but was a poor working labourer working for a day's wage, he would still have to pay under this tariff the same amount of extra taxation, because, as has been pointed out, it is in the nature of a poll-tax. If he happens to have a family of eight to ten children, he will have to pay an additional amount of something like £10 under this tariff.

The MINISTER FOR LANDS (Hon. M. H. Black): How much, if he has twenty children?

Mr. FOXTON: I will let the hon. gentleman make that calculation for himself if he is able to make it. I am not the hon. member's school-master, and am not sent here to teach him arithmetic. I quote instances in so far as they are useful for my own purpose, and if the hon. member desires to quote instances let him make his own calculations. The difference between the principles enunciated by the late Government in the Land Act, and the principles proposed to be adopted by the present Government in the proposal to increase the area of country lands that may be sold by auction to 320 acres, is that in the one case it is proposed to pay the interest upon the public debt, so far as the rent will go, out of the annual income derived from the land, while in the other case the proposition is to pay the annual charge for interest on the public debt out of the capital.

Mr. MURPHY: You cannot take the land away.

Mr. FOXTON: We have heard that said over and over again, and it has been frequently urged that, having once alienated land, a land tax will reduce the value of alienated land, and also the value of the land which still remains in the hands of the State.

Mr. MURPHY: That has never been our argument.

Mr. FOXTON: I beg the hon. gentleman's pardon. The hon. gentleman who immediately preceded me on the other side used that very argument, and the hon. member for Barcoo must have been out of the Chamber again. Why the argument that is always cheered to the echo on the other side is that a land tax will lessen the value of the public estate left in the hands of the Government.

Mr. MURPHY: Hear, hear!

Mr. FOXTON: If it lessens the value of the public estate left in the hands of the Crown, it will surely lessen the value of all land in the colony, whether alienated or not, in exactly the same way. I fail to see the distinction the hon. member for Barcoo seeks to draw. In this connection I hold that no matter under what tenure land is held, it should be taxed, and that the leaseholds of the far interior should be taxed as well as any other land. I see no reason why they should not bear their fair share of taxation as well as land parted with in fee-simple. It is simply a matter of tenure, and one is a little better than the other. I have asked before in this Chamber, why a man who has paid, say, a capital sum of £1 per acre for his land, should be taxed when the annual interest charge he has to meet in respect of the capital he has invested may be very much greater than the rent paid to the Crown by a Crown lessee—why should the freeholder under such circumstances be taxed, and not the leaseholder? Why should that be the case, more especially when it is considered that this taxation is imposed principally for the purpose of meeting the interest upon the public debt incurred for the construction of railways, which doubtless benefit, to a large extent, a great portion of the colony, especially places in the immediate vicinity of the railways, but which certainly have increased to an enormous extent the value of the large properties held under lease in the far west? That is shown by the fact, as has been already pointed out, that the wool from those places now arrives in the English market long before the day on which it would have arrived at the port of shipment in the old days before those railways were constructed. I know of an instance where, in 1866, a very large clip of wool for one of those railways lay and rotted on the station, and was never removed, because it would not pay to convey it to the port; and an enormous sum of money was lost in consequence. Such things do not occur now, simply because those properties in all parts of the interior have been brought within very reasonable means of communication with the ports to which they desire to send their produce. I do not know that I have anything more to say. I do not propose to enter into any serious discussion of the Financial Statement, that having been already ably done by hon. members sitting on this side. What I desire is to bring into greater prominence certain points in connection with the position the Government are occupying towards the taxpayers of the colony, more especially when it is remembered that two of the leading members of the Government—the senior member for North Brisbane and the Premier—came into office after having enunciated the principle that no additional taxation was necessary. I leave it to the taxpayers to say whether they have had to meet any further taxation or not.

Mr. MURPHY said: Mr. Jessop,—It may be true enough, as stated by the last speaker, that Sir Thomas McIlwraith, the senior member for North Brisbane, did say something about its not being necessary to impose any further taxation; but if he did, he said it before he was aware of the state the finances of the colony were in when they came into his hands.

The Hon. Sir S. W. GRIFFITH: He said it because it was a convenient thing to say.

Mr. MURPHY: As statements have been made during the debate that the working man is heavily taxed under this tariff, it is as well to let him know at once that whatever burdens he has to bear—and he has no more than his fair share of the burdens of the country—they have been put on his back by hon. gentlemen who sit on the opposite side of the Committee. It was owing to

the maladministration of the late Government that we on this side have been obliged to put additional taxation on the people.

Mr. BARLOW: You put it upon the wrong shoulders; that is the trouble.

Mr. MURPHY: It was said a few minutes ago by an hon. member opposite, that an hon. member speaking on this side might be taken to be expressing the sentiments of the entire party to which he belonged. For the same reason, I may assume that any hon. member on the other side who speaks is speaking the sentiments of that side collectively. It is not so long ago that an hon. member on that side wanted to put a tax on flour—on the working man's staff of life. That was the hon. member for Toowoomba, Mr. Groom. Did not hon. members on the opposite side try on every possible occasion to increase the taxation upon all classes of produce?

HONOURABLE MEMBERS of the Opposition: No, no!

Mr. MURPHY: I say they did. They asked the hon. leader of the Government, Sir Thomas McIlwraith, over and over again, during the debate on the tariff, to increase the burdens on the necessities of life. I hold in my hand a paper which begins as follows:—

“Mr. Groom to propose the following amendments in the tariff:—Flour, 20s. per ton.”

Mr. SAYERS: That is only one member of the Opposition.

Mr. MURPHY: I am going on the assumption which we were asked to accept just now that when a member on this side speaks he is supposed to express the sentiments of his party, whether we agree with all he says or not; and I now say that a certain number of members on the other side of the Committee were in favour of increasing the burdens of the people to a very much greater extent than we on this side were anxious to do. If ever the party now in Opposition come again into power the unfortunate people will find that the saddle will gall them very much more than the saddle they have on them now.

The Hon. Sir S. W. GRIFFITH: Some people will.

Mr. MURPHY: To return to the hon. member for Toowoomba, Mr. Groom: that hon. member was desirous to put additional burdens on the people—to tax necessities of life which this side wished to absolutely exclude from taxation. He wanted to put a tax of 20s. per ton on flour, 4d. per lb. on butter, 4d. per lb. on hams, 4d. per lb. on bacon, 4d. per lb. on salt pork and mess pork, 5s. per dozen on boots and shoes under a certain size, 7s. per dozen on boots and shoes above that size, and 4s. on every dozen pair of goloshes. That shows what burdens would have been placed on the working men if some hon. members on the other side of the Committee had had their way. I believe the majority of hon. members on that side were in favour of putting very much heavier burdens on the people than we had to do by the tariff. I am a protectionist myself, and I do not think that protection is a burden. To follow up the illustration of the hon. member for Ipswich, I will say that protection is a saddle, but you must teach the horse you are going to saddle to wear it gradually. If you put a burden of this kind upon a horse's back suddenly he will buck—he will try to get rid of it. Protection is a saddle that presses a little at first upon the animal that has got to wear it. In the same way it galls the community that has to wear it a little at first, but the more they get used to it the better they like it; and I think it showed the wisdom of the hon. senior member for

North Brisbane that, when he brought this tariff before the House, he did not put the whole weight on the horse's back at once. He had to bring in a tariff partly for revenue and partly for protective purposes, so that the tariff was really a compromise, and I hope before the hon. gentleman ceases to be a member of the Government in this colony, that he will drive the wedge he has now started in this direction right home; that we shall have a thoroughly protectionist tariff, and that all the necessities of life, all articles required for consumption by the working man will be entirely relieved from taxation, except in instances where it is absolutely necessary to protect them, in order to encourage their manufacture in this colony. We have only to look abroad, to other colonies, to see the success that has attended their efforts in the same direction as we are now travelling; and why I like this tariff is that it is gradually educating the people up to protection.

THE HON. SIR S. W. GRIFFITH: I am afraid not.

MR. MURPHY: The hon. gentleman interjects, but I do not think he disagrees with me in this: that it is absolutely necessary that protection should be brought in slowly, until the people are educated up to it, and when they are educated up to it the time will have come when we can drive this wedge right home. I think the present Government, or, at all events, the late leader of the Government, the hon. senior member for North Brisbane, deserves every credit for having had the courage to tackle this question when there was nothing to guarantee to him that it was one the country would accept. I have to congratulate the hon. the Treasurer upon this one great fact. Ever since I have had the honour of being a member of this House a budget proposal has been brought up annually showing a deficit, and this is the first time I have had the pleasure of listening to a Financial Statement showing a surplus. I congratulate the country, and the hon. gentleman, and the Government, and this Committee, upon that fact. Every year since I have been in the House fresh taxation has been imposed upon the country, but it has always ended in producing no beneficial result. There has always been a deficit when the next budget was brought forward; and it is another very pregnant fact that the Government had the courage of their opinions, took the bull by the horns, and brought forward a scheme of taxation which has produced the result desired—namely, it has put the finances of the country into the condition that it was necessary they should be in. I would like to glance at the return showing the amount of Customs revenue collected from the 1st July, 1888, to the 30th June, 1889, so that the working men of the colony, when they read our speeches, may understand that the things they imagine are taxed are not taxed, and that the statements which have been made to them to the effect that certain articles have been raised in price by the operation of this tariff, are not true—that nothing of the kind is the case.

MR. BARLOW: I know it from experience—from my own house-keeping.

MR. MURPHY: That may be; but the hon. member is not a working man.

MR. BARLOW: The articles I use are used by both.

MR. MURPHY: The hon. member is not a working man; he lives in a luxurious manner, and ought to be taxed.

MR. BARLOW: No, I do not; you are mistaken.

MR. MURPHY: I am very glad to hear from the hon. gentleman that he has felt the tariff in 1889—3 R

his household. That shows that it has touched the rich. I shall now go through a few of the articles in the tariff which are necessities of life in order to show where it presses on the working man, and how much the taxes have been raised by this tariff in comparison with the old tariff. The first things which are necessities of life are tea, sugar, flour, and meat. There is no tax on meat, but still it has been raised in price to the working men owing to the drought, though many people were told that it was through the tariff. I have seen articles in the newspapers, complaining that the tariff had raised the price of meat. Tea is not raised in price, because the duty is exactly the same as it was under the old tariff. Coffee has not been raised in price, being exactly the same under both tariffs.

MR. UNMACK: No; it is not.

MR. MURPHY: Cocoa and chocolate have not been raised in price; they are, to some extent, necessities of life. Butterine, butter, and cheese have each been raised slightly by the tariff, but that was done in order to protect the farmer. Do hon. gentlemen opposite say that we were wrong in putting additional duty upon those articles?

MR. SAYERS: Yes!

MR. MURPHY: The hon. gentleman represents a mining constituency, but will his hon. friends sitting alongside of him, who represent farming constituencies, say whether or not they object to this increase of duty upon butterine, butter, and cheese? Of course they do not; and if the hon. gentleman who leads them had his way, I take it—if he is the thorough-going protectionist he says he is—that when he gets into power he will raise those duties very much more than they are; so that I cannot see what objection hon. members opposite can raise to the increase in these items. Bacon, hams, and honey, which are also to some extent necessities of life, have been raised from 2d. to 3d. per lb. That has been done in the interests of the farmers. It was a moderate increase, not such as I should like to see imposed for the benefit of the farmers, because I am a protectionist. Still, the working man has been told that he is suffering under great hardships on account of this tariff. I am not able to ascertain how it inflicts any hardship upon him in any shape or form. It has been done for his benefit, because protection of the farmer means protecting the working man. It means increased wages to the working man, and increased prosperity to the whole colony. Other things, such as pork, macaroni, vermicelli, and cornflour have been increased for the purpose of deriving revenue from them. They are not actually necessities of life, but they are used very largely in households, and may be considered as next to being necessities of life, and the taxation put upon them cannot hurt anybody. Rice has not been raised. That is a necessary of life, as it is used largely when flour is dear, and is also used in the Western districts as a vegetable.

MR. COWLEY: It is as highly taxed as it ought to be—1d. per lb.

MR. MURPHY: Sugar, of course, has not been altered; and potatoes and onions, which also enter largely into the working man's diet, have been increased, but for the purpose of protecting the farmer. I have now gone through all the items in the tariff which are necessities of life.

MR. SAYERS: What about clothing?

MR. MURPHY: I thank the hon. gentleman for his reminder. Boots and shoes, and made-up clothing have been taxed, no doubt, but that has been done with the evident intention of encourag-

ing their manufacture in the colony, as has been done in Victoria. If hon. members go to Melbourne they will see thousands of young men and women turning out of the boot and clothing factories at 5 o'clock. Hon. members, and the people of this colony generally, would be convinced by that that the duty placed upon those articles will ultimately have the effect of giving employment to them and their children.

An HONOURABLE MEMBER: How is it there are so many unemployed in Melbourne?

Mr. MURPHY: There are no unemployed in Melbourne. There are loafers about the streets there, who will get up meetings in front of the Burke and Wills statue any day, but you can see the same thing in the streets of Brisbane—loafers who will not work, but who will get up meetings to agitate for work, while they are praying to God that they may not find work. That is the class of men who are clamouring in Victoria, and how many of them are there? Has the unemployed movement in Melbourne ever been sufficiently important to induce the Government to give way in any one particular, except to give such men free railway passes up country, in order to get rid of them, or to send them over the border to New South Wales? So far as the labouring man is concerned, there is a very important item here which has been freed from any duty, and that is tools. That item embraces nearly all the ordinary tools required by working men, which cannot be easily manufactured in the colony. Blacksmiths' tools and other tools which can easily be made in this colony were not included, in order to protect the smiths of the colony. I think I have shown conclusively that the necessities of life to the working man are not more heavily taxed than under the old tariff, so that all the claptrap which has been spouted from the other side of the Committee about the burdens imposed upon the working man falls to the ground. Long before this Parliament expires the working man will have found out that this saddle which has been put upon his back was put there for his own benefit. Talking on the subject of railways, the hon. member for Toowoomba made the following remarks last night:—

"We find this to be the case now, that in most of the large pastoral districts where railways are extended, wool is in the London market at a period when formerly it would hardly have left the station. And we not only give them the facilities of railway communication, but we are absolutely subsidising at a cost to the country of £55,000 a year, a line of steamers to carry that wool home to England at a very reduced rate."

"Mr. MURPHY: Not at a reduced rate."

"Mr. GROOM: Will the hon. member tell me that the freight would not be higher but for that subsidy?"

"Mr. MURPHY: We sent it cheaper by sailing vessels before."

"Mr. GROOM: But how much more speedily is it sent by steamer?"

"Mr. MURPHY: They only charge the Orient Company's rates."

"Mr. GROOM: The hon. member may entertain that opinion; but my opinion, which is very largely shared in by the public outside, is that with the facilities we are affording by our railways, and by subsidising a line of steamers to carry wool to England at a much cheaper rate, those for whom that is done ought to pay something towards the interest on the cost of construction of those railways."

I shall quote another passage from the same speech. The hon. gentleman says:—

"With regard to branch lines, the loss on working last year was: Highbfields, £2,144; Beemaraba, £163; Killarney, £2,092; Isis, £246; Kilkivan, £1,219; Springsure, £3,814; Clermont, £2,644; Mackay, £2,498; and Ravenswood, £368. But that is no reason why the construction of branch railways should be abandoned. I hold that we shall never promote settlement, nor have the land properly utilised unless we construct branch railways, whether they pay or not. The difficulties of bringing produce to market are so great, and

the competition with the adjoining colonies is so keen, while freights by sailing vessels are so low, on account of so many of them lying idle, that produce can be brought to Brisbane at a price which renders our import duty upon it a mere bagatelle. I was informed a week or ten days ago that a merchant went down South to order a quantity of produce for Brisbane, and it was arranged that it should be brought here by sailing ships, and landed at a price which would quite cover the import duty. When that can be done it is idle to say that the tariff affords any protection to the local producers."

"The MINISTER FOR MINES AND WORKS: Would you increase the duty?"

"Mr. GROOM: Certainly I would. I do not make any secret of that. That is one of the reasons why I ask for the construction of branch lines. If you do not build them you might almost as well stop railway construction altogether. If you take many of these lines, they have been useful to the extent that they have opened up the country, and that counterbalances anything representing the deficiency on them. They have undoubtedly promoted settlement."

I wish to show the utter selfishness of the hon. gentleman. Speaking entirely in the interests of one class, he says that the railways which have been extended to the Western districts should be paid for by the residents of those districts—that they should pay the interest on the cost of construction; but almost in the same breath he says, in the most inconsistent manner, that we should go on making branch railways through the agricultural districts, although they do not pay for the grease used on their wheels. That is an utterly selfish view. Is it the policy of this country to encourage one class of settlement and destroy another? Or is it our policy to encourage all classes of settlement according to the various districts concerned? The hon. member for Toowoomba was referring more especially to the pastoral industry, which is at present the only producing industry of this colony that is in anything approaching a flourishing condition. It is not so flourishing as we would like, or as it might be; but it is in a more flourishing condition than the sugar industry and the farming industry. It is in as flourishing a condition as the gold industry; and the export of wool is greater than all the rest of our exports put together. The remarks I have quoted show how the hon. member for Toowoomba would like to cripple this industry by putting on such heavy railway freights as to check its expansion, or by taxing it to such an extent as to drive out capital, and prevent the lands in the far West from being utilised by the only persons who can utilise them. The representatives of the pastoral interest in this Committee have never been hostile to any other industry; they have always been willing and anxious to assist other industries; and they feel it very hard when an hon. member representing an industry they have always been willing to benefit turns round and says, "I will do all I possibly can to cripple the industry to which you belong." The pastoral industry has been keeping the colony going up to the present time; it is keeping the colony going now; and it is the industry to which we must look for many years to keep the colony going. As much valuable settlement results from the extension of railways into the far West as from the construction of branch lines. I do not object to branch lines, and I agree that we should not expect them to pay immediately, and that if they promote settlement their construction is justifiable.

Mr. GLASSEY: Hear, hear!

Mr. MURPHY: I hope the hon. gentleman who "Hear, hears" that will also "Hear, hear" this: I am in favour of these railways being extended to the far West for the purpose of promoting settlement there in exactly the same way.

Mr. GLASSEY: Hear, hear!

Mr. MURPHY: I will now refer to a few remarks made by the hon. member for Ipswich, Mr. Barlow, who, as the hon. member for Mackay humorously remarked, introduced a perfect menagerie into his speech. He spoke about killing the bird that laid the golden egg. What hon. members on this side want to do in selling land by auction is to get the golden egg. The hon. member for Ipswich wants to have the goose, but he does not want the eggs. The Treasurer and the Minister for Lands want to have some of those golden eggs from the bird.

Mr. BARLOW: And kill the bird.

Mr. MURPHY: They are not going to kill the bird. The bird in this instance is the land; and the land we always have with us. And I am sure that hon. members on this side will not object to taxing the land when it will produce sufficient revenue to make it worth while to impose a land tax, and when it is absolutely necessary to do so. I am thoroughly in accord with the Government in their wish to sell land by auction; at the same time, I am just as much opposed as hon. gentlemen on the other side to selling land in large blocks, or in such a way that capitalists or syndicates can acquire large estates. We are just as much opposed on this side to the aggregation of large estates as hon. members on the other side—I am sure that sentiment will be endorsed by those who sit on this side. But that the quick acquisition of freehold is a good thing for the community is proved by the colony of Victoria, where nearly every acre of land worth selling has been sold.

Mr. BARLOW: Thousands of farmers there are now paying high rents for land which ought to be their own freeholds.

Mr. MURPHY: I thought the hon. member did not believe in freehold. At all events, those farmers are men who have made their money in the colony and are able to pay those high rents and still flourish on the land. The owners of that land are men of capital who put the land to its best use; and no man can possibly put land to its best use unless it is freehold. No man would spend money on a leasehold in the same way as he would on a freehold. Besides, as I pointed out when the Land Bill was under consideration, by selling land by auction you give people following other occupations in the cities an opportunity of acquiring farms which they may amuse themselves with improving. That has been done very largely in Victoria, and is part of their land law, especially introduced to encourage that kind of land settlement. A great deal of the most scientific farming that has been done there has been carried out by these men. Having the money they were able to make experiments, and they have taught their neighbours many lessons in farming that they would otherwise have been a very long time learning; they have also introduced fresh breeds of stock, dairying appliances, and things of that kind, which all tend to the prosperity of the farming community. I believe in sales by auction, and hope they will be conducted in such a way as will not tend to the aggregation of large estates. If sales by auction should tend in that direction, I hope the Government will put a stop to them, or so alter the system that it may not have that effect. The senior member for Ipswich, Mr. Barlow, in speaking about our overdraft, treated it in a light and airy way. He is the only banker I ever came across who has looked upon an overdraft in the light and easy manner the hon. member does, and I have had many dealings with bankers and many overdrafts. But I would like the working men of this country to thoroughly understand that if the finances of this country

were not by some means or other balanced, if we had not a balance on the right side, and we had to go to the London market to borrow money for the purpose of carrying on public works in the colony, and our loan failed—because, of course, capitalists in England know as much about our finances as we do—that would mean a terrible disaster to the working men, because it would mean a cessation of public works in the colony, which would throw a vast number more men out of employment than are unfortunately out of employment now. The hon. member also said, and this is a very curious argument in regard to the tariff, that the drought had made the tariff more productive than it would otherwise have been.

Mr. BARLOW: So it has on articles that would otherwise not have been imported.

Mr. MURPHY: I contend that if we had had no drought, and the people of the colony had been in a more prosperous state, more men would have been employed in the agricultural and pastoral districts than have been during the drought, and very much larger quantities of dutiable articles would have been consumed. I will show the hon. member how that would have come about. In the first place, if we had had no drought, there would have been more selection than there has been, and there would have been a very much greater demand for fencing wire and other articles of that kind. In the second place, if there had been no drought, the pastoral tenants would have improved their holdings to a much greater extent than they have done. They have been crippled very much financially, and having no water on their runs they were unable to go on to their country and improve it. Had the seasons been more favourable they would have imported a much larger quantity of wire and other things, and have employed a greater number of men. The hon. member for Toowoomba, Mr. Groom, referring to this matter, said the House was informed when hon. members were granting the twenty-one years' leases to the squatters, which the squatters had no hand in passing except to oppose it, that squatters would employ a great many more men than they were doing, because they would have greater security of tenure. I hold that that has been done, so far as they have been able to do it, considering the bad seasons, and as soon as we have regular good seasons, such as we have now—we are now having one of the best seasons known in Queensland for many years—and confidence is re-established, exactly what was stated will come to pass. It must be remembered that since we have had the twenty-one years' leases we have passed through seasons of uninterrupted drought; and squatters have not been able to go on to the dry portions of their runs and improve them, but they are now putting down artesian bores in different parts of their runs, and going on with fencing and other improvements which give employment to labour. Although it may not be due entirely to the twenty-one years' leases, still, as a matter of fact, wages have increased very largely in the Western portion of the colony within the last twelve months. Twelve months ago I only paid 25s. a week and rations to the ordinary working man about woolsheds, and this year I paid 30s. Of course I do not say that is entirely due to the security of tenure or good seasons. It may be due to some extent to the unions; still squatters have paid the increase without grumbling, because they have the prospect of a good season in front of them, and they are perfectly willing that the men should share in the good time. No strike occurred, and there was no disagreement between the squatters and the men, so that the working man has benefited by the twenty-one years,

leases to some extent, and will benefit very much more in the near future. I will not say anything more except to again congratulate the Government upon having successfully grappled with the affairs of the Treasury, as they were left to them by the late Government, and upon having got the country out of very serious financial difficulty, and once more landed us on good, safe, dry ground.

Mr. HYNE said: Mr. Jessop,—The hon. member who has just sat down laid great stress upon the fact that the hon. member for Toowoomba was desirous of increasing the duty on flour. The hon. member was very desirous of fixing that upon this side, and argued that members on this side of the Committee have been persistent in adding to the burdens of the working man. While the hon. member was arguing in that way I took the trouble to turn up *Hansard*, and I found that the then Premier also coincided in that view, with respect to the putting of a duty upon flour. I may say, first of all, that I decline to be bound by the views then expressed by the hon. member for Toowoomba, and I do not think there are two members on this side who held the same views on the subject of the duty upon flour as that hon. member. I was strongly opposed to it, and I repudiate that hon. member's views on that subject. I find that the then Treasurer, Sir T. McIlwraith, in speaking on the subject, said:—

"In the first place, he might say that he had had numerous communications from millers, not only in this colony but in the other colonies, who stated that if a duty of £1 per ton were put on flour they would start mills in all the centres of population right off; and he believed they would have done so. However, gauging public opinion on the question, he thought he should have made a mistake if he had proposed a duty of £1 per ton on flour. That the effect of such a tax would have been for the good of the colony he believed, but, at the same time, he admitted that public opinion was against him on that matter."

That is all I want to refer to in answer to the argument of the hon. member for Barcoo, that this side was always doing its utmost to add to the burdens of the working man. I shall not attempt to criticise the figures of the Financial Statement, and I may as well admit at once that I am not capable of doing so, as figures are not my forte. Last night after the leader of the Opposition had addressed the Committee it looked for a time as if our citadel was to be demolished by the heavy guns on the other side. From the forcible way in which the ex-Premier put his arguments it looked as if that was to be the result; but I am happy to say that good arguments were brought forward on this side, and when our Gatling guns were brought into action, we completely repelled the assault of the other side. I ask hon. members opposite if the expectations of the ex-Premier and hon. members on that side have been realised? I say certainly not. We were told over and over again, not only in election speeches but in the House when the tariff was going through, that certain things would happen. The ex-Premier said that the tariff was to be the means of transferring the debtor balance of the colony to the credit side, and I ask now, has it done so? With actual receipts from the tariff of £241,944 the deficit is only wiped out to the extent of £116,846, and I maintain that that result completely refutes the arguments of hon. members opposite, that the tariff was going to do such wonders. I do not accuse the opposite side for not having done more, because I do not think they could have done any more, but I claim that the excuses they make as arguments should also be allowed from this side of the Committee. It is well known that we, on this side, went through such terrible seasons that the colony was never in a more depressed state,

and industries of all kinds were stagnated; but the other side will not allow us to bring these things forward as arguments, though they are used as arguments now by hon. members opposite. The party to which I have attached myself has over and over again been accused of extravagance in the administration of the affairs of the country, but what do we see this year? Has the expenditure been reduced? On the contrary, the present Government have actually increased the expenditure. Where, then, does the charge of extravagance come in? I maintain that we were not extravagant, although now, though the expenditure has increased in some of the departments, in certain places it is parsimonious and carried out in a regular pig and cabin style, of which I am ashamed as a Queenslander. Several speakers who have spoken before me have laid stress upon the argument that when the tariff was going through, this side of the Committee especially assisted in increasing the burdens upon those least able to bear them by increasing the burden of taxation upon the necessities of life. If anyone will take the trouble to turn up *Hansard*, he will see what that side of the House did on that occasion. On page 216 it will be seen that the ex-Premier said the tariff he was about to introduce should transfer the balance of the consolidated revenue fund from the debit side to the credit; and when the first proposal came from the hon. member for Toowoong to reduce the duty on articles of consumption, what was his reply? He said he was not going to allow anyone to interfere with the tariff—that the tariff must be carried out according to the Government scheme. The Opposition were simply powerless to alter the tariff. Wherever the Treasurer put his foot down everyone of his proposals was carried out. At page 447 of *Hansard*, we find the hon. member for Enoggera, Mr. Drake, saying:—

"What he wanted to know was, what were the burdens that were going to be put on the people through the Custom-house for the purpose of introducing a protective tariff? He was anxious to see the tariff as protectionist as possible, while, at the same time, he did not want to see a great burden thrown on the working classes. With regard to the paragraph they were now discussing, the tariff on gunpowder and shot was certainly not of a protectionist nature, and would not assist, for a long time to come, in establishing the local manufacture of those articles."

Every hon. member on this side was desirous of relieving the burdens on articles in daily use. At page 448, the hon. member for Toowoong, while discussing the question of jam, is reported to have said:—

"Those articles were very extensively used by rich and poor, and the duty would amount, he believed, to something like £28,000. He might take that opportunity of saying that whatever reductions he proposed he also intended to propose a full equivalent for them in the shape of increases on other articles."

I make those quotations to show that the assertion that this side was particularly anxious to put burdens on the working man is not founded on fact.

Mr. POWERS: What about the votes?

Mr. HYNE: The first division that took place on the tariff was on pearl barley, and that was 39 to 23. The Government side voted solid, and we were left in a minority. The next was on split peas, the result being 38 to 27, the whole of the Government supporters being again on one side. I am not blaming the opposite side for voting that way; I only want to rebut the argument that we assisted in increasing the burdens on those least able to bear them. I next turn to page 449. A charge had been made by the ex-Premier against the leader of the Opposition that he was assisting as much as he could in

increasing those burdens, and this is what the leader of the Opposition said in reply to that charge :—

"The hon. Treasurer evidently did not understand the theory of protection. He was only a protectionist in name, without knowing the meaning of the word. He (Sir S. W. Griffith) had never heard that it was part of the duty of a protectionist to raise the price of food. That was not part of the theory of protection."

In the debate on tobacco, great stress was laid by the hon. member for Toowoong on the fact that although tobacco was a luxury, it was a luxury that the working man enjoyed, and he was very desirous of reducing the duty on it instead of imposing an extra duty. What was the result of the division? We were beaten by the Government supporters by 43 to 34. Tobacco, although a luxury, is a luxury which the working man enjoys almost as much as he enjoys his bread. Indeed, I have heard some say that they would as soon be without bread as without tobacco. Then if you take the next important item, spirits, it will be in the recollection of hon. members that most of us on this side urged and supported the amendment introduced by the hon. member for Townsville, Mr. Philp, to increase the duty on spirits. I remember I interjected, "Put it on spirits, and take it off tea," although that does not appear in *Hansard*. But the then Treasurer, Sir T. McIlwraith, would not allow any interference with his tariff, and the division that took place was 39 to 20, all the Government supporters, with the exception of the hon. member for Townsville and the hon. member for Herbert, voting together. I think that division clearly shows that we were in favour of imposing additional taxation on luxuries and reducing it upon articles required by the working man. These quotations prove beyond doubt that the statements that we on this side assisted in increasing the burdens upon the working man are not based upon fact. I think I ought to make some reference to railways, because I noticed the merry twinkle in the Treasurer's eye when he alluded to the lines in our district returning only 5s. 5d. per cent., and I can imagine his thought to be, "That is one for you, old fellow;" but I think the hon. gentleman should have given some explanation of the exceedingly low return of last year. When the late Treasurer was making his Financial Statement he stopped and explained that the very low return from our railway was due to the very small traffic on the Bundaberg and Mount Perry line; and I think it would have been very much better if the Treasurer on this occasion had explained that the low return for last year had been caused to a certain extent by relaying the line with 60 lb. rails, and the construction of three very expensive sidings. I do not know exactly what they cost, but I know that two—one at Aldershot, the smelting works, and one at the saw-mills—are very expensive works. If the hon. gentleman had made that statement, it would have been much more satisfactory, because virtually it amounts to a misstatement that the Wide Bay and Burnett bunch of railways are paying such a poor return. I am always delighted to see our railway returns increasing; hitherto they have always shown a good return and I believe they will always do so. I maintain and always have maintained that in constructing railways they perform a twofold duty—they provide means of transit and open up the country. I am not discouraged if we do not see a large percentage returned on the outlay, because I contend that wherever railways are constructed the Crown lands of the colony are increased in value to such an extent that it almost compensates for the loss of interest on the amount expended in the construction of the line. Therefore I think it is our duty to push out railways into the country. "Make railways,

and the railways will make the country," is the argument of the great railway engineers and others, and it cannot be refuted. It is carried into practical effect in all civilised countries, and we ought to adopt it here. The Minister for Lands laid great stress on the fact that no settlement had taken place during the administration of hon. gentlemen on this side of the Committee, but I would ask him how was it possible for settlement to take place during those years? Would any sane man think of taking up land and settling down upon it when the country was suffering as it has been until recently from drought. I do not think there is any argument at all in that—to attribute the deficit to the maladministration of hon. members on this side. Hon. members opposite have had two good seasons, and what results do we see from them? I do not say that they could have done more than they have done, but, at the same time, I do not think they should make charges against this side which they are not willing to bear themselves. When I see the immense amount of land that was sold last year, compared with what was sold by the late Administration, and the great extra taxation that has been imposed, I maintain that the Government show a very poor return—that they have very little to boast about. I am not blaming them for not having done more, because trade and commerce have not recovered their elasticity since the depression brought about by the droughts of the last four or five years.

Mr. COWLEY said: Mr. Jessop,—I do not intend to reply to the arguments of the hon. member who has just sat down, because, like all the arguments from the other side, they are very weak and feeble indeed. The hon. member tried to prove that it was members on this side who imposed heavy duties on the working man, and the articles he referred to were split peas, pearl barley, and tobacco. Now, I would like to know if any of these articles, barring tobacco, are used to any great extent by working men—split peas and pearl barley. Therefore, I think the hon. gentleman's argument hardly worthy of notice. What I rise for is to say that I can hardly agree with the hon. member for Mackay in the satisfaction that he expressed with the Financial Statement. It is shown that the net increase of revenue has been £116,846 13s. 6d. No doubt it is very satisfactory to see that we have at last come to the turning point, when we take into consideration how that revenue has been raised, I think it is a very deplorable state of things, indeed, for the country, and especially for the Northern portion of it. If we turn to the tables supplied by the Treasurer, showing the increase of Customs duties over what would have been collected if the tariff had remained as it was, we find that it amounts to £256,558; add to that proceeds of sales of Crown lands, £119,485, which is an increase on the previous year of £66,294, it makes a very large sum indeed. Had it not been for this, it is quite evident that there would have been a very great deficiency. I would ask how has this money been raised, and who have been the principal contributors to it? I unhesitatingly affirm that the people of the Northern portion of the colony have contributed an undue amount of it. In proportion to population they are by far the largest consumers of dutiable products, because most of the things which are imported to the North cannot be grown there. Therefore they derive no corresponding benefit by the employment of producers, whereas in the Southern districts they can produce articles which we cannot, and therefore do not pay such high taxes. I maintain that if we had a return showing the amount of produce that has been

introduced into the North during the last twelve months it would be found that it exceeded very considerably, per head of population, the amount introduced into the Southern portion of the colony. It is also well known to hon. members that during the last twelve months there has been a very large amount of land sold in the Northern portion of the colony. In Cairns alone £40,000 worth was sold in one day, so that I say the North is being robbed of its valuable Crown lands and is paying excessive Customs duties, and for what? To pay for the losses on the Southern and Central Railways. If we turn to the report of the Commissioner for Railways for the year 1888, we find the following :—

"There are now eight distinct systems of railways open for traffic, comprising two divisions :—

The Southern and Central Division includes the Southern and Western, the Wide Bay, and Central lines. Miles open for traffic, 1,562; and

The Northern and Carpentaria Division includes the Mackay, Northern, Cairns, and Cooktown lines. Miles open for traffic, 359.

"The following table gives interesting statistics relating to the two divisions :—

Southern and Central Division—namely, Southern, Wide Bay, and Central lines.—Total capital expenditure on opened and unopened lines, £11,319,385; total capital expenditure on opened lines, £10,137,418; revenue earnings for year 1888, £682,588; revenue expenditure for year 1888, £419,160; net earnings for year 1888, £263,128; percentage of net earnings to capital expenditure on opened lines, 2.569.

Northern Division—namely, Mackay and all lines north thereof.—Total capital expenditure on opened and unopened lines, £2,163,472; total capital expenditure on opened lines, £1,681,821; revenue earnings for year 1888, £180,449; revenue expenditure for year 1888, £88,501; net earnings for year 1888, £71,948; percentage of net earnings to capital expenditure on opened lines, 4.273."

Now taking that table as accurate—and I presume it is—it shows that the Northern lines during the year 1888, and, I believe, in previous years as well, have paid interest on the capital expended on them; and I therefore maintain that it is unjust that the Northern portion of the colony should be called upon to pay extra Customs duties for the maintenance of the Southern lines of railway, from which they derive no benefit. I see no provision made in the Estimates, nor any mention made in the Treasurer's Statement, about the Financial Districts Bill. If the colony is to be divided into financial districts, I presume it will cost a considerable sum of money to initiate the scheme, and I think before our railways are reduced to the state that the Southern railways are in, if we are to have financial separation at all, it is high time that it should take place, while we have still some revenue remaining, which we may utilise to the best of our ability. If we are to go on, and our railways are to be mismanaged, and lines built where they will never pay, financial separation will be of no use to us. The greatest detriment to separation are the political lines which are being built in the North. There is no doubt whatever, in reference to the Cairns line, that, taking it as it now stands, without any additional expenditure on it, and even if it were finished at the expenditure set down for its construction, it is very questionable whether it would ever pay interest on the cost of construction; but when we come to consider the vast amount which has yet to be spent before that line will be opened for traffic, no sane man will attempt to assert that it will pay interest on the cost of construction within the memory of any man here. I say that line is a political line, pure and simple. If this is the state of things which is to continue, and if the Northern members are not to have the sole control of their revenue, and are not

to have the right to decide where their railways are to go, and whether they shall build railways which will pay or railways which will not pay, then I say nothing but separation will satisfy the North. I am sure hon. members on the other side, representing Northern constituencies, will side with us, throwing aside all local differences and jealousies, and join hon. members on this side in going in heart and soul for separation. If they do not, then I say they have not the good of their constituencies at heart, and are unworthy of representing the districts which have sent them here.

Mr. DRAKE said: Mr. Jessop,—I should like to make a few observations, more particularly upon the operation of the tariff. I do not intend to pose as a critic of the expenditure of the Government, either past or future, and I abstained from doing so last session. We hear a good deal about the extravagance and the parsimony of the late Government, and it appears to me that as a rule the policy of the Governments of Queensland—not any particular Government—appears to be a mixture of extravagance and parsimony. The worst of it is that they are extravagant in cases where they might very well be parsimonious, and they are parsimonious in cases where they might be excused for being a little extravagant. I am always in favour of liberal expenditure for any object which would seem to be beneficial to the colony generally, such as in schools and colleges, including schools of art, schools of mines, and agricultural colleges. I have always spoken in favour of the extension of railways in order to develop and open up the country. I think it would be very inconsistent in me to raise objection to taxation in itself, and I also think that the majority of the people of the colony do not object to the amount of money which is raised by taxation. I am sure the working classes are not the class to raise objections to the amount of money raised by taxation. They would have no objection whatever to it if all classes were being taxed equally, but the trouble up to the present time has been that, whenever any more money is wanted to make up a deficiency in revenue, the first class taxed is the working class, and it is from them that the whole of the money required to make up the deficiency is being looked for under the new tariff. I say that is unfair. It is not as though that were the only source from which revenue can be derived. I do not want to raise the question particularly about the different modes in which wealth can be taxed, but I think there is no member of this Committee who will say that wealth should not be taxed. There is no difficulty in doing that if the Government is willing to do it, but it is always more easy to go to the Custom-house to make up the deficiency in revenue. The way in which protectionists have been attacked in this Chamber is certainly most unfair, because what is this tariff? It was only introduced as a revenue tariff, and it was not advocated as a protectionist tariff, nor has it ever been recognised as a protectionist tariff. It is true that when it was going through Committee, when particular items were under discussion, the Vice-President of the Executive Council occasionally used the argument, "You pretend to be protectionists, and yet you oppose this or oppose the other;" but never was this tariff put forward as a protectionist tariff. As far as I am personally concerned, my vote was always given in favour of protection. I always voted for any duty which appeared to me to be justifiable from a protectionist point of view. If there were any exceptions at all to that they would be three. I voted against the proposed duty on bran and pollard, because I thought the circumstances of the colony at that time were such that

it would operate harshly upon a certain class. I voted against the proposed increase on tobacco, and in favour of the proposal of the leader of the Opposition to put a 5 per cent. duty on machinery imported in the North, which, I thought, was a fair concession to that part of the colony. With those exceptions, my votes were either in favour of protection or in favour of cutting out altogether duties which simply increased the cost of living, and had no protective operation whatever. In order to show clearly that this tariff was never intended as a protectionist tariff, I shall quote a short extract from a speech delivered by the Treasurer on the occasion of his unopposed return after taking office, as reported in the *Capricornian* of the 15th December, 1888:—

"No doubt the present tariff did press hardly on the consumer. He believed, as a matter of fact, that it did—but once again he told them it was a revenue tariff, imposed to save the financial honour of the country."

It has never been represented as a protectionist tariff by any member of the Government. It was simply designed to raise revenue and wipe out the deficit. That the tariff has not answered expectations, even from a revenue point of view, there can be no doubt; and I think I shall be able to show that the probability is that it will be still less satisfactory in the future than it has been in the past. The Treasurer went on to say on the occasion to which I have referred:—

"The figures before him were of a very interesting character. He did not know whether he ought to use them or not, but they were certainly very pleasant to look over. They showed that the balance was on the right side of the ledger, and that it was likely to grow month by month. It was a very great pleasure for him to state this, and to say that the revenue of the colony for the first five months of the present year showed an increase over the revenue for the corresponding period of last year of £265,781 6s. 9d. (applause); and the Government anticipated that by the end of December they would have been able to wipe out more than half the deficit he had spoken of, and their anticipations had been verified by the results of the last few months."

Then he went on to say that he would not prophesy too much; so that he honestly believed that the result of the operations for the year would be very much more satisfactory from a revenue point of view, than they have been up to the present time. What probability is there that the tariff will have a protectionist operation? Some hon. members do not seem to grasp this fundamental principle in connection with a protectionist tariff—that, in the first place, you require to have a certain import duty on certain articles to check their import; and, secondly, that you must have the tariff so framed that the general cost of living will not be increased, or else what you are giving with one hand you are taking away with the other. It is of no use putting on a small import duty like 15 per cent. to encourage manufactures, if you clap on a duty of 15 per cent. on everything else so as to raise the cost of living; because it stands to reason that in order to become a manufacturing or producing country, you want to have the cost of living generally reduced. I contend that the natural operation of a protective tariff has been to reduce the cost of living all round, and I think that is shown in the case of Victoria.

The PREMIER: Then you don't know much about Victoria.

Mr. DRAKE: I know something about Victoria, as I will show later on. Speaking of the groaning that has been going on in the colony, in consequence of the increased cost of living, the Vice-President of the Executive Council quoted figures, from the Treasurer's tables, to show that the increase had only been so much per head. The amount per head is disputed, so

I will not state the amount, but I can assure hon. gentlemen that the actual increased cost to the individual has been very much more than the amount stated. I am not blaming the Treasurer or the Government for that. People can see that their weekly bills are increased by a certain amount, and, to a great extent, that has been caused by a circumstance which has been overlooked. When the new tariff came into operation, the retailers increased their prices out of all proportion to the increased duty.

The PREMIER: That has been said a hundred times.

Mr. DRAKE: Not in this Chamber.

The PREMIER: Yes, I said so myself, last session.

Mr. DRAKE: It might have been said last session, and, no doubt, it is a fact. But the Vice-President of the Executive Council also said—and he spoke as though it was a great enormity—that somebody or other had said that even the prices of bread and meat had been increased through the tariff. As a matter of fact they have been increased. The bakers and the butchers had some sort of ground for doing it, and though it might have been simply an excuse, and not a good reason, still there was something of reason in it. The baker said, "I have a wife and family to support, and men to employ, and if the cost of living is increased all round, I must charge a higher price for bread." That was the reason put forward for increasing the price of bread; and the price of meat has been increased also. That is the reason why you see it stated in the papers and elsewhere, that workmen's weekly bills have increased by 4s., 5s., and even 10s. a week. I heard a man say his weekly bills were 13s. 6d. more than before the tariff came into operation. If the tariff had been framed so as only to put special duties on particular articles that could be produced in the colony, and had made no increases, or even remissions, on other articles, there would have been no opportunity for small traders to increase the prices all round, and there would have been a probability that the general cost of living would not have been increased to the extent it has been increased. I referred to Victoria just now, and I want to show the Treasurer another reason why I think he cannot look forward to this tariff being successful from a revenue point of view. I have taken the total receipts through the Customhouse for the year, and divided that by the population as stated in Table F. The result is £3 15s. 9d. per head of the population. In Victoria, where they have a really protectionist tariff that has been in operation for a long time, the amount of taxation through the Customhouse for the year 1886-7, the latest date for which I have been able to get particulars, was, according to the "Victorian Year Book," £2 1s. 9d. per head of the population. If the tariff of this colony has a protectionist operation at all, the result will be that there will be a continually falling revenue. That some hon. members do not understand that I am perfectly sure. The hon. member for Burrum, when speaking on this subject, said: "Look here, nearly the whole of this amount of £268,000 comes from articles which are subject to a protective duty, and the smaller part comes from duties which are simply imposed for revenue purposes," and he asked protectionist members on this side to admire that state of affairs. That in itself shows the absolute failure of the tariff from a protectionist point of view, because if it had a protectionist operation it would prohibit the import of these particular goods, and there would be no more revenue, or only a diminished revenue, received from them.

Mr. POWERS: I said that if those goods continued to be introduced the present duty was not sufficient, and higher duties would have to be imposed.

Mr. DRAKE: At all events the hon. member asked us to admire that state of things.

The POSTMASTER-GENERAL (Hon. J. Donaldson): What about the cost of living being taxed in Victoria?

Mr. DRAKE: I did not say the cost of living was not taxed, but I say the only tax through the Customs amounts to £2 1s. 9d. per head of the population. If the hon. gentleman wishes to know the other sources of revenue, I can tell him some of them. I know that about £125,000 is raised by a land tax. I also desire to point out to the hon. gentleman at the head of the Treasury that the returns from Customs duties in Victoria have been steadily falling. In the "Victorian Year Book" for 1887-8, page 189, it is stated that—

"The greater portion of the Government taxation is derived from Customs duties. The proportion from that source, however, has gradually decreased from 89 per cent. in 1874-5 and 87 per cent. in 1875-6, to as low as 72 per cent. in 1881-2, and between 74 and 76½ per cent. in the last five years."

So that from any point of view I do not see how this tariff can be beneficial in the direction of protection.

The MINISTER FOR MINES AND WORKS (Hon. J. M. Macrossan): It is.

Mr. DRAKE: Very little indeed. Perhaps the hon. gentleman is referring to the duty on boots. That appears to me to be one of the best of the duties, and it is one duty that is of a protectionist character. It was a duty on which I voted in favour of the proposal of the Government, against a good many hon. members on this side of the Committee who thought it would be very oppressive in its operation. But as far as I have been able to learn, that duty has operated very beneficially up to the present time.

Mr. CROMBIE: It has come harder on the working men than anybody else.

Mr. DRAKE: I disagree with the hon. member entirely. In the first place it was a great improvement in substituting a fixed for an *ad valorem* duty, and in the next it has had the effect of keeping shoddy out of the colony. Certainly there was a much larger amount derived from that particular source than there is at the present time. I believe the duty is now being collected on a higher class of goods, and that the imposition of the duty on boots has not raised the price of the colonial manufactured article, and those are the boots that are principally worn by the working classes. I also believe that the effect of the duty will be to give the local manufacturer the command of this market, and enable him from time to time to produce a finer class of boots until the tariff on that particular article has the effect of keeping foreign goods out of the market altogether. This, I say, is one case in which the tariff has a protectionist operation. In a great many cases, however, the duty upon goods that can be manufactured in the colony is not sufficient to counterbalance the increased cost of living, which has resulted from the general increase of Customs duties. In one respect, I think the tariff has been a matter for regret, and that is this: An idea has got abroad, in spite of the fact that this tariff was brought forward for revenue purposes, and advocated for revenue purposes, that it is protection; and a great many people who before had been inclined to adopt protectionist views, when they found their bills increased, turned round and said, "If this is

protection, we won't have any more protection." Of course the freetraders were not at all slow to take advantage of this and represent that it was so, and advise people that they had better go back to freetrade. I should be very sorry if the tariff had that effect, because I firmly believe in a protectionist tariff, and during last session I supported every proposal brought forward to make this tariff really protectionist in its operation; and if at any future time the present Government or any other Government should introduce a really comprehensive protectionist scheme, I shall certainly support it most heartily. In another respect I think the tariff is teaching a good lesson. There is no doubt that the last general election was fought upon these lines, that there should be a land tax or no tax at all. If any hon. member has any doubt about that, he may look up the records of the last session of the last Parliament, when the present leader of the Opposition proposed a land tax of a 1d. in the £1 on the unimproved value of land of the value of £500 and upwards. The hon. gentleman also proposed to raise a small amount—about £15,000, I think—by an assessment on stock, which was very much objected to. The position taken up by the Opposition was that the country was just emerging from a serious drought; that it had had all sorts of troubles and trials to contend with, and that it was not the right time to pass additional taxation. The first member who followed the leader of the Opposition was the then ex-Colonial Treasurer, Mr. Dickson, and he objected to the proposal almost in the words I have mentioned, and that view was adopted by members of the then Opposition. All through the general election—I am not going to quote from any one speech—the general position taken up by members of the then Opposition, who are now supporting the present Government was this, "Are you going to have a land tax or no tax at all?" The result of the operation of this tariff has been to show the people of the colony that that was a wrong position altogether. It has shown them that the position is simply this: Are you going to have a land tax or a tax of some sort to fall upon property—wealth, or a purely revenue scheme of taxation through the Customs? The position is open to them now, and I told my constituents the true position all along. I told them some taxation was necessary, and they had only to choose between two evils. They are beginning to see now that it would have been very much better for them to have accepted the proposition of the leader of the Opposition, and have had a land tax, and not taxation through the Customs.

Mr. AGNEW: So you are not a protectionist at all!

Mr. DRAKE: The hon. member forgets that this is a revenue tariff, and I have quoted from the Treasurer himself to show that. I have quoted also from the speeches of hon. members opposite, and not one of them advocated this as a protectionist tariff. What the country had then to choose between was taxation by means a land tax or property tax, and the taxation of the working classes through the Customs. Now that the people see that that really was the position, they are beginning to come to the conclusion that it would have been much better for them to have accepted the proposed land tax. I know this very well, because I had to fight the question in my own electorate twice, and men in that electorate were told over and over again that if they returned the present leader of the Opposition to power they would have their little freeholds taxed.

The POSTMASTER-GENERAL: Who made that assertion about the little freeholds?

Mr. DRAKE : It was made far and wide all over the country. It was broadly stated that all the freeholds would be taxed. What they find out now is that the amount of taxation which they would have had to pay under the scheme suggested by the leader of the Opposition would be very much less than they have had to pay through the Customs by this tariff. The hon. member for Carnarvon anticipated me in this argument, but he only dealt with figures adduced from the tables submitted by the Colonial Treasurer as to the increased amount of duty per head payable under the new tariff. The hon. member showed that in the case of a man having a freehold of the unimproved value of £1,000, under the scheme of the leader of the Opposition he would only have had to pay £2 1s. 8d. per year in taxes, while in duties under the present tariff the same man would have to pay more than double that amount, or something over £5. That was only taking the Treasurer's tables, but I can tell hon. members that such men would not come under the tables which the Treasurer gave as to the increased amount, but they would really have to pay between 4s., 5s., and 6s. per week more. The conclusion they are coming to now is, that they have to pay four, five, and six times as much as they would have had to pay in the shape of a land tax.

The POSTMASTER-GENERAL : No !

Mr. DRAKE : I say that is freely stated. I do not know whether the Postmaster-General has any constituents of that class in his electorate, but he can verify the statement if he has. I can verify it all over my constituency. It appears to me that wherever you may go it will be necessary before very long to come upon property to bear some share of the burden of taxation. Even if the Customs tariff remains as it is I think the Treasurer will find, in consequence of some industries springing up under it, he will have a falling source of revenue instead of an increasing source of revenue.

Mr. AGNEW : Then it is a protectionist tariff.

Mr. DRAKE : In some respects it will no doubt have a protectionist effect to a slight degree. It is really neither one thing nor the other, because it will not increase the manufacturing industries of the colony to any great extent, nor, at the same time, will it prove to be a good tariff from a revenue standpoint. From a revenue standpoint you want the taxation just so low that it will not in any way check the inflow of goods in order to get revenue, and so far as I am able to judge this tariff promises to be a failure from either standpoint. It will be necessary, I think, before long to fall back upon property taxation in some form or another. I will just say a word with respect to an argument that has been used on the opposite side concerning a land tax. The Vice-President of the Executive Council has used the argument that it is unwise and unstatesmanlike to put a tax upon the comparatively small amount of land that has been already alienated, because by doing so we diminish the value of the bulk of the land. That never appeared to me to be a very sound argument ; but there may be something in it if the Government are going to adopt the policy of sales of land by auction, as advocated by the Minister for Lands. It occurred to me the other night there was something in the argument from that point of view, because when a man has alternative means of investing his money and goes into an auction room to buy land, no doubt he makes himself aware of the burdens there may be upon it, and if he finds there is a land tax upon it he will pay less for it than he

would otherwise pay. So that a little less would be derived from the sales of land by auction, if the land had to bear the burden of a tax. The hon. member for Mackay, Mr. Dalrymple, however, entirely cut away that argument, and goes further than I do in dealing with it. He says there is going to be a land tax, and the uncertainty as to how much it is going to be is worse than the imposition of the tax itself. So that according to the hon. member at the present time the unsold lands of the colony are already discounted to a greater extent than the amount of the tax, by the knowledge that a land tax is coming. That, of course, entirely nullifies the argument so often used, that the imposition of a land tax will reduce the value of the unsold lands of the colony. The assurance that there will be a land tax is extending, and everyone who buys land now knows that if he has not to pay a land tax now he will have to do so before very long. I can assure you, Sir, that so far as my experience goes, the people would now prefer a land tax that will fall upon wealth, whether in land dividends or property, to a scheme of revenue taxation that falls almost entirely upon the working classes through the Customs.

The PREMIER : Would you have a land tax and protection as well ?

Mr. DRAKE : Certainly.

Mr. ADAMS said : Mr. Jessop,—I desire to say a few words on this question, and in the first place I must congratulate the Colonial Treasurer upon bringing in such an excellent Budget. Some hon. members have expressed their disappointment, because he has not got so large a surplus as was expected, but in my opinion we ought to be thankful that we have come to the turning point in our finances, considering the seasons the colony has had to pass through. The hon. member for Ipswich goes in a contrary direction to every other hon. member by saying that it was mainly owing to the drought that the Treasury has been replenished to the extent it has. It has always been said before that it was owing to the severe drought that the deficit had accrued. I cannot reconcile those two statements, especially because when the present Opposition were sitting on the Treasury benches they always blamed the drought for the increasing deficiency in the Treasury. There might have been something in it if the drought had not prevailed over the whole of the colonies. But there were, for instance, no potatoes to be got ; there were none in any of the colonies, and the consequence was that they could not import them into Queensland. On the other hand, if the seasons had been good there would have been plenty of potatoes in the colony, and, therefore, no need to import them ; and that fact would tell in exactly the opposite direction to what the hon. member tried to make us believe. We have heard a great deal about the working man. I am proud to say I am a working man myself, and have been all my days ; and I am pleased to say that the working man's food is not taxed to the extent that hon. members on the other side would have us to believe. His flour is not taxed, nor are his beef and mutton. In fact, there is hardly an article of food which the working man consumes that is taxed, and whatever is taxed is taxed in such a small degree that he never would feel it. I saw lately in the *Courier* a long list of the taxed articles, and it was stated that the working man—it was not said how many there were in the family—had to pay something like 10s. 6d. a week more, than before the tariff was passed. I have never known potatoes so cheap in Queensland as last year. In 1853 I paid as much as 27s. 6d. per 100 lb. for them, and since

that year I have never paid more than 12s., and frequently much less. Beef was raised in price, but that was not because of the tariff, but simply because the weather was so dry that cattle could not be procured. Jams can be purchased now as cheaply as before the tariff was passed, if not cheaper. I know I can buy jam retail by the single tin at 5d., or 5s. the dozen. As to boots, thanks to the tariff, you can buy boots cheaper than ever. I have a pair of boots on me now that I paid 10s. for, and for similar boots last year I had to pay 15s. We have many more manufactories in the colony than we had before, with the result that there is a great reduction in the cost of the boots which the working men wear. You can buy in Brisbane, as I have done lately, American-grown tobacco for 3s. 6d. and 3s. 9d. per lb. by taking a case. The manufacturers here employ, I suppose, about seventy hands in the two places I visited. That has all been brought about by the tariff. The same may be said of many other articles. I am perfectly satisfied, as a working man myself, that the tariff does not press hardly on the working men of the colony.

Mr. WIMBLE said: Mr. Jessop,—It was not my intention to have addressed the Committee during this debate, but I feel called upon to do so on account of several hon. members having called in question matters which appertain to the district I represent. I therefore feel it necessary to endeavour, if possible, to remove what is, to my certain knowledge, a want of correct information on the matters about which they have spoken. There has been a great deal of discussion about Cairns, its land sales, its railway and other matters, and remarks have been made thereon which are at variance with the true facts. The hon. member for Toowoomba, Mr. Groom, speaking about the land sale at Cairns, said he thought the unfortunate individuals who had bought there would never be able to realise the amount they paid for the land. I do not think the people of Cairns are more foolish in their purchases, either of land or anything else, than the people in other parts of the colony, and I am quite certain that although the hon. member may have been there for a few days it is impossible, even for an intelligent gentleman like him, to acquire complete information about the place in that time. I may tell you, however, that I know of two instances where that land has exchanged hands at a slight increase on the price at which it was originally purchased from the Government. I need not remind the Committee of the reason for the high value of land at Cairns. It is on account of the numerous resources which Cairns possesses at its back. Now these resources are very little understood by the people here in Brisbane. I find that in my everyday intercourse those whom I come in contact with, that some of them talk about Herberton in the vaguest manner, and if true information was better disseminated I am certain that they would alter their opinions about Cairns and its district. I will just quote a few figures from the *Herberton Advertiser* of 19th July, which show the return of tin and silver bullion for the last two quarters in that district.

"For the quarter ended 31st March:—

STONE CRUSHED.		Tons, cwt. qrs.		
London Mill, Irvinebank	...	1,447	9	1
Oberlin Mill, Glen Linedale	...	650	0	0
H. T. C. Co. Mill, Herberton	...	478	2	3
Bischoff Mill, Watsonville	...	317	3	2
Bischoff Mill, Eureka Creek	...	626	16	0

Total 3,210 11 2"

That gives a total of 387 tons 3 cwt. 1 qr. 15 lb. of black tin, and with stream tin 465 tons 10 cwt. 0 qrs. 5 lb. Then in silver—

"1,356 tons of ore was smelted for a yield of 236 tons of lead bullion, containing 53,338 oz."

For the quarter ended 30th June, the total stone crushed at the same mills was 4,404 tons 12 cwt., for a yield of black tin of 402 tons 0 cwt. 1 qr. 12 lb., and stream tin 28 tons 6 cwt. 1 qr. 18 lb., or a total of 430 tons 6 cwt. 3 qrs. 2 lb. The silver yield for the same quarter was 1,632 tons of ore, yielding 243 tons 4 cwt. 3 qrs. of lead bullion, containing 69,928 oz. of silver. The total production for the quarter was 622 tons 10 cwt. 2 qrs. lead bullion and sulphide ore, containing 105,170 oz. of silver. The total of both productions for the half-year was 895 tons. 16 cwt. 3 qrs. 7 lb. of tin, and bullion and sulphide ore, 622 tons 10 cwt. 3 qrs. Speaking of the prospects of the district, the paper says:—

"With a fair season to enable crushing and smelting to go on without interruption and allow stream tinniers to wash up, the yield for the year should not be far short of 1,900 tons of tin and 350,000 oz. of silver."

Now those are the present mineral resources which are being developed in the Herberton district which this railway is to serve, and which it will serve immediately the present section is completed. Besides this, there are new finds being daily made, not only of tin and silver, but of copper also. The latter, unfortunately, is not at this time of the same value as it was some six months ago, but it will become again a valuable article of export. Then, again, the railway will serve the old Hodgkinson Gold Field, which for want of coastal communication is languishing. Apart from those resources, immediately the railway ascends the top of the range it will tap one of the finest agricultural districts in the whole colony—the Barron valley. The timber which abounds in that valley is simply inexhaustible, and will serve this colony for a very long time to come. There is cedar, ebony, and lancewood, which will be valuable articles of export. Besides that, we have all the building timbers and fancy woods, such as walnut, bean-tree, and many other timbers which will furnish freight to the railway, immediately it taps this district. Now, I could not help thinking that when the hon. member for Herbert, Mr. Cowley, spoke of the Cairns-Herberton Railway as being a political line, there was something of the story of the fox and the grapes in his statement. Probably the hon. member would have preferred to have seen the railway extended from Townsville to Ingham. I have not the least desire to prevent him obtaining that line, if possible. No one in the Committee would be more pleased than I should be to see that line built and the coast line generally extended, because it is by connecting the coastal towns that there will be a better feeling created and more confidence established between them. At the present time, I know that the North is affected by a conflicting feeling of jealousy on these same matters, and I fancy that the hon. member for Herbert has exhibited that spirit when he spoke of the Cairns-Herberton Railway being a political line. The merits of that route were well discussed at the time it was before the House. The advantages of Cairns were fully laid before the country, and I do not hesitate to say that it was the merit of Cairns, with its harbour, that determined the present route of the line. Cairns is the harbour of Queensland, and there is no harbour to surpass it this side of Sydney.

The MINISTER FOR MINES AND WORKS: We are making it now.

Mr. WIMBLE: The "Platypus" dredge has finished about a mile of dredging, and when the other three-quarters of a mile are completed, any of the steamers that are trading on this coast will be able to steam in and anchor alongside of the town at all tides; not exactly at low tide, because I understand the depth dredged is only 13 feet, but there is

no difficulty whatever in dredging to 15 or even 17 feet, because the texture of the dredging is soft alluvial mud, and it will not require re-dredging, because the wash will keep the channel open once it is dredged. As soon as the dredging is completed, Cairns harbour will be the finest harbour in Queensland. That is the universal opinion of commercial men in this port, and of all the naval men trading on our coast. With reference to the tariff, it has been said that it is not a protectionist tariff, and in a sense it is not; but I cannot help believing that a great deal of the complaint about the tariff has not been directed so much against the tariff itself, as against the depressed state of things arising from the drought, and the inevitable consequences which all Governments are liable to suffer from during their term of office. I believe that with a return of successful seasons such as we are now enjoying, and the improvement in affairs generally that will follow as a matter of course, there will not be so much feeling against the tariff as there is at the present time. But just now, I must say that in the North it is a very heavy burden upon the people. I should like to have seen something in the Treasurer's statement about decentralisation, but I suppose we shall have to wait some time before we are enlightened on that subject. I shall feel very much satisfaction when I see some scheme devised which will give local control over revenue that is raised in the Northern districts. I have little more to say. I have endeavoured to explain some misapprehensions; and I must say that, although the Cairns line is a very heavy undertaking, I have not the slightest doubt that when it taps the resources to which I have referred it will pay the interest on its construction. If those mineral fields can be so successfully developed as they have been under the great disadvantages of high carriage, which rules from £8 to £15 per ton, I maintain that with railway communication not only will the mines in existence be further developed, but new claims will be taken up, which cannot be touched at the present time on account of the difficulties of transit and the cost of carriage in that mountainous district. So soon as we have the railway, I have no hesitation in saying that Cairns and the Woothakata district will prove one of the wealthiest and most prosperous parts of this colony.

The MINISTER FOR RAILWAYS said: Mr. Jessop,—I do not rise to go through the whole of this financial debate, but only to correct a few miscalculations that appear to me to have been made with regard to some of the items of revenue and expenditure. First of all I may remark, with reference to the speech of the last speaker, that the Cairns-Herberton Railway is hardly a subject to be dealt with in a financial statement. If every hon. member was to bring up the railways of his own district on a night like this, the debate would never end. I know a great deal more about the Cairns-Herberton Railway than the hon. member for Cairns does, and I think it is a benefit to the public that they do not know as much as I do. However, before the session ends we shall probably have an opportunity of giving the House full information with regard to that railway. With respect to the tariff I shall say very little. It seems to be a matter of doubt on the other side whether it is a revenue tariff or a protectionist tariff, and it is a matter of very little consequence to me by what name you call it. I do not like taxation in any form, but when the hon. member for Enoggera says we put before the country the question whether it was to be a land tax or no taxation, I think he went far beyond the real facts of the case. I do not think anybody was in a position to go to the country and

say the finances were in such a condition that no taxation at all was necessary, and I do not think anybody ever attempted to make such a statement. With regard to the operation of the tariff in connection with farmers, there can be no doubt that if the season had been anything like a normal one, it would have operated very materially to their advantage. If anyone looks at the revenue derived from imported produce that might have been produced by farmers in the colony they will find that it amounts to over £50,000 per annum. That £50,000 has gone into the Treasury. According to protectionist principles it ought not to have gone into the Treasury but into the pockets of the farmers, and the reason why it did not go where it ought to have gone was simply because the farmers, through no fault of their own, perhaps, but through the visitation of Providence in sending such bad seasons, have not been able to produce the articles that are there enumerated. I do not say that the whole of this would have gone into the pockets of the farmers. Surely nobody supposes that this tariff was framed for the express purpose of fostering farmers at the expense of the poor cabman or drayman, who has to make his living and keep his horses while doing service for the public. The fact of the matter is, that through the seasons being so bad the whole of this produce has been necessitated to be imported from the other colonies, because we could not produce it ourselves. If we had been able to do so, the effect of the tariff would have been much more favourable; but even assuming that we are going to have some good seasons now—and we need not meet misfortunes until they arrive—it will not altogether be a loss to the Treasury, because we know very well that as soon as our farmers produce this stuff which we consume, the railway receipts will then compensate the revenue for the loss which will be sustained through the loss to the Customs. It is a matter of indifference to the Treasurer where the revenue comes from—or rather it would be a matter of congratulation to him if he got increased receipts from the railways, instead of from the Customs. It would, at any rate, be a matter of congratulation to me. Many calculations have been made with regard to the tariff, which I have no doubt are very interesting, but I am sorry to say that I am not able to appreciate them, as I am very slow at figures, and it takes me a considerable time to grasp them; and as to those which have been adduced to-night, I cannot say that I have got hold of them. I look upon all these generalisations at the present time as, if not absolutely, at least almost, worthless, for the simple reason that the tariff has not been sufficiently long in operation to make any generalisations from it. Before we can arrive at conclusions we must have a certain number of ascertained facts from which to deduce some logical conclusion, but this tariff has not been in operation very long—some parts of this tariff having been in operation only six months, and some of it not that long. Yet it has been persistently stated on the other side that the tariff commenced some nine or nine and a-half months ago. When we are dealing with a tariff, or with anything else, we must take it as a whole, and there is one part of the tariff that has been most persistently ignored by the other side, and that is the free list, which only came into force on the 1st of January last, whilst another portion of the tariff did not come into operation till the 31st of March last, and how can hon. members come to any solid conclusions from a tariff which has only been in operation for that short period? It seems to me to be rather stretching a point, and it is liable to lead us to conclusions which are not reliable. The idea of producing revenue from the land seems to

have troubled some hon. members, and more particularly the hon. member for Toowoomba. Whenever that hon. gentleman hears the words, "auction sales," he is something like an old war-horse who, when he hears the trumpet, is up at once and ready for the fray; but, when the hon. gentleman describes graphically, as he always will do, and always can do, the bad effects which resulted from indiscriminate auction sales in years gone by, it does not follow that the same thing is going to be done now, because the auction sales which are now proposed are going to be carried out on entirely new lines. First of all, the areas sold in those days would astonish people who were not then in the colony, but the public would never allow such large areas to be sold nowadays. That we are perfectly satisfied of. Moreover, there is a safeguard against that provided by the late Government, which they do not seem to take the least credit for, but which I consider a great safeguard. Unless the Land Board recommend or approve of the land to be sold, and unless they fix the upset price, the Minister for Lands is not in a position to put up any land for auction.

MR. HYNÉ: That does not refer to town lands.

THE MINISTER FOR RAILWAYS: I am now referring to country lands. There is no alteration proposed with regard to town lands. As far as the acquisition of large estates is concerned, I am not so very much frightened as some people appear to be. I think that the harm, or alleged harm, which has been done to the colony by these large estates has been greatly exaggerated. If we could calculate the benefit derived by the colony in the way of the expenditure of money, and providing labour for the working men of the colony, we should find that on the whole they have been of benefit to the colony rather than an injury. That is my individual opinion, and an opinion I have held for many years. I have no fear whatever of any danger arising from increasing the area to 320 acres. I would just as soon increase it to 3,200 acres, or 10,000 acres, or any area which Parliament might agree upon, and if I were dictator of Queensland, and could do what I liked, and could sell 50,000,000 acres of land at 10s. an acre, and pay off our national debt, I think I should be doing a very fine thing for the colony. However, that is a very cheap thing to say, because there is no likelihood of my ever being in that position, and even if I were I am afraid I should find some difficulty in getting buyers. I wish to refer to one or two things the leader of the Opposition touched upon in the very able speech he made upon the Financial Statement. The first thing I wish to point out is with regard to the loan fund. The hon. gentleman made out that there was a difference in Table D between the total on the one side of the page and the total on the other side of the page, and the conclusion he came to was this:—

"The amount not borrowed is about £700,000, so that a sum of about £1,700,000 has been expended upon public works different from those for which the money was borrowed."

I daresay a good many hon. members believed that statement. Bearing that statement in mind we will go a little further down:—

"The result is that during the past twelve months £1,700,000 of loan money has been spent."

THE HON. SIR S. W. GRIFFITH: I said "the last year or two."

THE MINISTER FOR RAILWAYS: As I have it here, the hon. gentleman says that—

"During the past twelve months £1,700,000 of loan money has been spent, and there are no means of ascertaining how it has been spent."

THE HON. SIR S. W. GRIFFITH: I said, "We have no means in our hands." That part of my speech is reported in a very abbreviated form.

THE MINISTER FOR RAILWAYS: At any rate the dominant idea is apparent all through. He went on to say:—

"The only semblance of an authority is the Loan Act. It is quite clear, however, that this sum of one million and three-quarters, has been expended out of loan without even that shadowy authority."

THE HON. SIR S. W. GRIFFITH: That is quite correct, unfortunately. I said afterwards that £600,000 of it was voted in Committee of Supply.

THE MINISTER FOR RAILWAYS: It was altogether unnecessary, however, for the hon. member to explain the figures, because the explanation appears in the Treasurer's Financial Statement.

THE HON. SIR S. W. GRIFFITH: No.

THE MINISTER FOR RAILWAYS: It is thus explained on page 4:—

"The balance of the £10,000,000 loan of 1884 yet to be put on the market amounts roundly to £709,000 in addition to which the following Loan Estimates have since been passed by the Legislative Assembly."

Then he recites the various Acts. There were two Acts passed when the hon. member was leader of the Government—Treasury Bills Acts—to provide for this money, and give authority for the Government to expend the money. One was passed in 1886-7, and the other in 1887-8; one was for £123,000, and the other for £349,000. And there was one passed last session by the present Government for £892,000. The difference between them essentially was that the Acts passed when the hon. gentleman was in power were passed after the money was spent, and the Act passed by the present Government was passed before we spent the money.

THE HON. SIR S. W. GRIFFITH: That does not account for the money that has been spent—the balance of the £1,700,000 after deducting the £123,000, and the £349,000 provided for by the two Acts to which you referred.

THE MINISTER FOR RAILWAYS: The hon. gentleman has been in the Treasury himself, and he ought to know about that. The Treasurer in his Financial Statement goes on to say—

"These amounts are covered and made available by the Treasury Bills Acts of 1886, 1887, and 1888, pending the passing of the next Loans Act."

Surely that is parliamentary authority.

THE HON. SIR S. W. GRIFFITH: A Treasury Bills Act is not an Appropriation Act.

THE MINISTER FOR RAILWAYS: It is an Act authorising the expenditure of loan money.

THE HON. SIR S. W. GRIFFITH: It is an Act authorising the borrowing of money.

THE MINISTER FOR RAILWAYS: Then the Treasurer says:—

"The unexpended loan balances total up to £1,840,952 1s. 7d., of which £2,416,511 is represented by cash on hand, and the balance by the unnegotiated securities above referred to."

THE HON. SIR S. W. GRIFFITH: There is a mistake of a million in that calculation—a mistake made in subtracting one amount from another.

THE MINISTER FOR RAILWAYS: The farther I go the more convinced I am that the leader of the Opposition has not studied the Financial Statement at all, because the thing is so palpable. I will admit that when you add the balance of £709,000 to the £1,864,000, it does

not make up the total balance now remaining ; but surely the hon. gentleman knows how that is accounted for.

The HON. SIR S. W. GRIFFITH : You are assuming that the sum of £1,364,000 is included in the loan balances, but I do not think it is.

The MINISTER FOR RAILWAYS : Is not an Act of Parliament sufficient authority to raise the money ? Was it not intended, when we passed that Act, that the money should be raised in the way it was raised ? Was there any other intention when those Acts were passed ? And were they not carried out in the way intended ? I was about to say that there is a slight difference in the calculation, but it is accounted for by the fact that the charges connected with floating the £10,000,000 loan, which is not all floated yet, do not appear.

The HON. SIR S. W. GRIFFITH : That is a small sum. It does not amount to more than £50,000.

The MINISTER FOR RAILWAYS : It amounts to over £150,000, as hon. members will see if they refer to previous tables.

The HON. SIR S. W. GRIFFITH : That is not included in the tables.

The MINISTER FOR RAILWAYS : At any rate the Treasurer's Statement is sufficiently plain to me, and I hope hon. members will take the trouble to examine the figures for themselves. They will then be satisfied that this criticism of the leader of the Opposition was altogether uncalled for. The next matter I wish to refer to is the hon. member's criticism of the schedules. Upon that point the hon. gentleman endeavoured to make out that the Colonial Treasurer was trying to mislead the Committee and the country by making the amount of the schedules not that which it ought to be.

The HON. SIR S. W. GRIFFITH : I did not say he was trying to mislead the Committee.

The MINISTER FOR RAILWAYS : He insinuated that the Treasurer had made a mistake. I do not mean to say he insinuated that the Treasurer was doing it purposely, or with the object of misleading ; but he certainly led the Committee to believe that the Treasurer had made a great mistake in this respect. The matter he particularly referred to was in regard to the endowments to municipalities. Well, the amount put down in the schedules for endowments to municipalities is £85,000.

The HON. SIR S. W. GRIFFITH : It was to divisional boards I was referring—to the endowment of £2 for £1.

The MINISTER FOR RAILWAYS : The hon. gentleman said the Treasurer told us he was going to pay all local authorities full endowments upon their rates. The Colonial Treasurer interjected, "With the sanction of Parliament." Then the hon. gentleman said that was part of the Treasurer's scheme, but there was no provision made for it in the Estimates. Then the Colonial Treasurer said, "In the Supplementary Estimates." And the leader of the Opposition said—

"But that is not a matter that should be provided for in Supplementary Estimates : it is a matter for the Estimates-in-Chief. It is expenditure contemplated for the current year, not expenditure the necessity for which was not discovered until after the Estimates-in-Chief were framed. Supplementary Estimates are to provide for unforeseen expenditure which is proved to be necessary after the Estimates-in-Chief have been framed. The hon. gentleman might see that, as it has often been referred to, but judging by the schedules for last year there is an omission of about £30,000."

What are the facts of the case ? They are simply these : That for the last year the amount of endowment in the schedules for divisional boards was sufficient to meet the whole demand.

The HON. SIR S. W. GRIFFITH : Look at the tables. You will find an excessive expenditure of £30,000 in the schedules of last year.

The MINISTER FOR RAILWAYS : You are giving the totals.

The HON. SIR S. W. GRIFFITH : I spoke upon the material I had.

The MINISTER FOR RAILWAYS : Surely you have a copy of the Estimates.

The HON. SIR S. W. GRIFFITH : I have Table J.

The MINISTER FOR RAILWAYS : That is referring to the schedules.

The HON. SIR S. W. GRIFFITH : That does not say on what works the money is expended. Unfortunately the tables do not give that information ; they ought to.

The MINISTER FOR RAILWAYS : When we criticise statements we are supposed to take a little trouble, and dwell upon them. If the hon. gentleman will refer to the tables, he will find that for divisional boards £165,000 will be required this year, the same as last year. If he refers to the Treasury returns he will find that the actual endowment paid last year up to the 30th June was £162,195 14s. 10d.

The HON. SIR S. W. GRIFFITH : Where is the extra £30,000 ?

The MINISTER FOR RAILWAYS : That I will show. The amount provided in accordance with the Act for municipalities was £85,000, and the amount actually expended in endowments to municipalities, according to the Treasury returns up to the 30th June last year, was £111,784 13s. Surely the hon. gentleman could have discovered that for himself ? The whole argument was in regard to the endowment of municipalities, and yet the hon. gentleman insulted the Treasurer for paying an amount he was compelled to pay by an Act of Parliament. What are schedules ? Do hon. gentlemen know what schedules are ? They are amounts that have been appropriated by statute. They are not submitted to the Committee. The vote we are on now is not under the head of "schedules." The schedules are provided for by statute, and in order to alter them, it is necessary to alter some Act of Parliament. Yet the Treasurer is now blamed for having paid an amount which he is compelled to pay by Act of Parliament.

The HON. SIR S. W. GRIFFITH : What is complained of is that when he intends to spend £30,000 more he does not say so.

The MINISTER FOR RAILWAYS : We will not argue the point any more. We will take Table I.

The HON. SIR S. W. GRIFFITH : Do you understand it ?

The MINISTER FOR RAILWAYS : I confess at once that I do not, and I will say further, that I do not think the hon. gentleman does. It is a most useful table for throwing dust in the eyes of the people. I have often looked at that table, and no observation surprised me so much as when I heard it said that that table had been in previous sessions quoted from. To the best of my recollection I never heard it referred to before. I have attempted to criticise the tables in the Auditor-General's report, and have heard the hon. gentleman say they were altogether misleading, and so forth ; but I think he can make anything out of Table I.

The HON. SIR S. W. GRIFFITH : If it is properly compiled it is a plain statement of facts.

The MINISTER FOR RAILWAYS: So far as I am concerned, I think it would be a very good table if it stopped at the last column, at the amount named there, £442,009 14s.

The HON. SIR S. W. GRIFFITH: It would not give so much information.

The MINISTER FOR RAILWAYS: All the rest is pure imagination. When you see a lump sum of £90,000 put down as an estimate, the table cannot be of very much use.

The HON. SIR S. W. GRIFFITH: I did not suppose the Treasurer was giving us imagination; I thought he was giving us facts.

The MINISTER FOR RAILWAYS: The table is no doubt a very useful one for the hon. gentleman's purpose, but I will give up these tables and refer to the matter of railways. The criticism of the leader of the Opposition with regard to the estimated receipts from railways for this year was very fair on the whole, but there are one or two things that he overlooked. The hon. gentleman said he did not think the amount stated as the probable earnings of the Southern and Western lines would be realised. Of course that is a great deal a matter of opinion, but he forgot to mention that there is at least one line besides those he referred to, and it has only been in operation comparatively speaking a few months; from it we expect to get a fair amount of receipts, that is, the Southport Railway. That line was not included in last year's accounts for the full period, as it has only been opened during the present year. Then, with regard to the Maryborough and Gympie line, I think the matter referred to by the hon. member for Toowong has been sufficiently explained, and does not require any further explanation. If the hon. member had only looked at the appropriation for last year he would have seen how he was led into error. The hon. member forgot that he himself, as a member of the Committee of Supply, assisted in passing a special appropriation of £20,000 for relaying a considerable portion of that line. That, to a certain extent, is an abnormal expenditure, and is not going to occur every year.

The HON. SIR S. W. GRIFFITH: It is charged to loan.

The MINISTER FOR RAILWAYS: No.

The HON. SIR T. McILWRAITH: Only a portion of it.

The HON. SIR S. W. GRIFFITH: £20,000.

The HON. SIR T. McILWRAITH: Where?

The HON. SIR S. W. GRIFFITH: It is provided for in the last Treasury Bills Act.

The MINISTER FOR RAILWAYS: That was reckoned to provide for the expenditure on renewal, and if we had been renewing the line with the same style of rails we might have done it for £20,000 perhaps, but the rails are double the value of those taken away, and one part of the expense is charged to loan, because the capital value of the line has been so much improved, and the other part is charged to revenue. I think that is a system the hon. gentleman is not accustomed to.

Mr. UNMACK: Laying rails is not working expenses.

The HON. SIR T. McILWRAITH: Renewals are.

The MINISTER FOR RAILWAYS: We can never satisfy the hon. member for Toowong, I know. But I will now leave that matter. With regard to this railway, I may, however, also remark that there are two branch lines just opened that will come into operation this year. One is the line from Gympie to Cooran,

which will form part of the North Coast railway when No. 4 section is completed, and the other is the first section of the Mungar and Gayndah line. I may state in connection with this, for the information of the members for Maryborough district, that this is one of the causes that reduces the percentage of earnings from their lines, because these railways have been charged to the capital account for those railways, and though they are now finished we have had no earnings from them as yet. The account, therefore, ought to appear very much better next year than it does now.

Mr. HYNE: The Gympie and Cooran section is charged to the North Coast railway, is it not?

The MINISTER FOR RAILWAYS: It is charged to that vote. With regard to the Central Railway, there is the Emu Park extension which had only been in operation some five or six months when the returns were made up, and from this extension I think we are entitled to expect a little more next year than what appears in this year's accounts. But over and above all these things, we are reckoning that the season will be a better one next year. We have not formed very sanguine expectations, but there cannot be any doubt at this time of day, that the traffic on the Central line, which is improving every day, will vastly increase from the carriage of wool alone. Unless some disaster happens, there can scarcely be any doubt that the traffic will be largely in excess of what it was during the last unfortunate season. Moreover, we know for a fact that the Lake's Creek works are likely to be in full operation for nearly the whole year; we know that the company have entered into large contracts, and the Government are, I think, justified in assuming that the traffic in live stock will be larger on that line than it has been before.

The HON. SIR S. W. GRIFFITH: These are real arguments.

The MINISTER FOR RAILWAYS: Of course they are. The hon. gentleman went on further to make inductions and not arguments. For five years he, with his colleagues as he says, have always gone on cutting down the railway estimates, and even after he had cut them down they invariably came out wrong; consequently he thinks that these estimates must be wrong, but that is a palpable *non sequitur*, because these estimates were not made by him and his colleagues, but by quite different people. However, I do not say the Treasurer will get the total amount of these receipts; these estimates are always problematical, and depend a great deal on the seasons. At the same time, I think they are very moderate and I have a lively hope that they will be realised, and I hope for the sake of the colony that they will be. The real point is, as I have tried repeatedly on former occasions to put before the Committee, not what our receipts are. The leader of the Opposition himself, when he had the honour of making a Financial Statement, drew particular attention to that. After years' experience he discovered that with regard to railway matters it costs us an expenditure of £500,000 or £600,000 to make £200,000. The hon. gentleman put that pointedly before the Committee, and that really is the proper way to look at matters. Looking at it from that point of view, I would like to direct the attention of hon. members to what the Estimates for last year were, and what the results turned out to be. Last year the receipts from railways were estimated in the gross at £819,000.

The HON. SIR S. W. GRIFFITH: What table are you quoting from?

The MINISTER FOR RAILWAYS: From my own tables. You will not find it in the Treasurer's tables.

The HON. SIR S. W. GRIFFITH: Yes; Table A gives it.

The MINISTER FOR RAILWAYS: Yes; I see Table A does give it. You will find that we estimated the railway receipts at £819,000, and the result unfortunately was only £780,623—bearing out the hon. member's statement so far, that the railway estimates are always wrong. If you look at Table Q you will find the result given.

The HON. SIR S. W. GRIFFITH: It is nearly £30,000 less than the estimate.

The MINISTER FOR RAILWAYS: Exactly. That looks bad, doesn't it? It only appears now to hon. members opposite, but it was clear to me twelve months ago, and every month since that time. You do not suppose that we are going to conduct the railways without looking at our receipts. They are published every week, and if we make a weekly average we can tell pretty well whether we are going to gain or lose. It was evident to me from nearly the start that we were inclining to leeward. What would an ordinary merchant do in a case of that sort? What would the head of a household do—to take a more familiar instance—if he found his expenditure was exceeding his income? There are only two courses open to him. He must either take some course that will increase his revenue or income, or he is forced to accept the other alternative and reduce his expenditure. Well, look at the result in the case of the Railway Department, and see whether that wise, and I may say common-place policy, was adopted. If you look at the expenditure returns, according to the Estimates, you will find that we provided for an expenditure of £618,631, and we actually expended £572,182 6s. 8d.

The HON. SIR S. W. GRIFFITH: That is nearly £30,000 more than the year before.

The MINISTER FOR RAILWAYS: The hon. member forgets that construction has still been going on, and there was more maintenance to be provided for. But that is leading us away from the point. The point before us particularly just now is this: I will draw the attention of the Committee to the amount the Railway Department promised the Treasurer as spendable income, after paying the working expenses of the railways, and which he might use for the general purposes of the colony. If you deduct the estimated expenditure from the estimated receipts, you will find that the Railway Department promised the Treasurer £200,369, and if you look at Table Q, you will find that they actually gave him £208,441 5s. 2d., or £8,000 more than they engaged to give him.

The HON. SIR S. W. GRIFFITH: That is very good.

The MINISTER FOR RAILWAYS: Yes; and if that state of affairs had been carried on in past years, the colony would be in a different position to what it is in now. Then it is worthy of mention, though it has never been noticed by any member on the other side—and probably if they had noticed it they would not have mentioned it—but I will mention it—that that wholesome state of affairs never occurred during the previous five years. Every year of that period the Railway Department, bearing out what the hon. gentlemen opposite says about their Estimates, undertook to give the Treasurer a certain amount of money for the general purposes of the colony, and they failed to make it up. I have got the figures from the beginning of the period, and I will quote the worst of them. In 1885-6 the Railway Department promised to give the Treasurer £264,391, and all they did give him was £201,278. The same thing followed in the next year; they

promised to give him £191,779, and they actually gave him £129,000, as will be seen from the tables. The year before we came into office the department undertook to provide a net revenue of £234,116, and they actually provided about the same as we provided this year—£208,000. If we can take the Railway Department as a sample of how the other departments were worked, I think that affords a key to the origin and development of the deficit we incurred. With regard to the percentage of interest returned from the railways which hon. members have drawn attention to, it was £1 10s. 2d. last year, and it is £1 8s. 6d. per cent. this year, making a difference of 1s. 8d. per cent. That is not a large difference after all, and it is easily accounted for. It is accounted for by the undue haste in expending capital, and the consequent drain for interest upon the revenue. In that connection I may explain to the Committee that a great many of the railways I am now carrying out are not railways that we are responsible for. Many of them are railways I was opposed to myself. But we cannot repudiate contracts, we must carry out our contracts, and see that our engagements are fulfilled. If the House will insist upon spending capital before the lines have time to earn their salt, then they must expect the percentage of interest to be reduced. There are some lines I have already submitted to the House, and some I will be compelled still to submit to the House, and the best argument I shall be able to bring before the House in support of them will be that you must spend some more money, and in many cases a considerable amount of money, simply in order that money that has been already sunk shall not be entirely lost. And that is about the poorest argument a Minister for Railways can put before Parliament. But such is the fact, and I am only sorry that it is so. I do not think I need add anything more. I am sorry the railway returns are not better than they are; but, considering that the season has been an exceptionally bad one, I think I may ask the Committee for some consideration in having been able, as I have shown, to return to the Treasury the amount of money the Railway Department undertook to provide.

Mr. SALKELD said: Mr. Jessop,—Hon. members on this side have found fault with the Treasurer's Statement because they thought he had received too much money from taxation. At the same time they complained that he had not reduced the deficit to a greater extent. Those hon. members who objected to the increased taxation did so on the ground that the taxation pressed unfairly upon one part of the community; that the incidence of the new taxation was unfair; that it fell mainly upon the poorer class of persons, and made them contribute more to the revenue than they ought to be called upon to do. It has been pointed out, and very correctly, that the Treasurer's Statement must be regarded by the country as very disappointing, from one point of view only, on account of the action taken by the present Government when they occupied the Opposition benches. When the then head of the Government read his Budget Speech in 1887—

The HON. SIR S. W. GRIFFITH: He did not read it.

The PREMIER: He did not want to leave anything on record.

The HON. SIR S. W. GRIFFITH: I delivered it; I did not read it in 1887.

The COLONIAL TREASURER: It would have been read but for the change in the Treasurership.

Mr. SALKELD: I am not finding any fault with the Treasurer for reading his speech, because I think it is a very safe thing to do. The Treasurer at that time, in making his Budget Speech, showed the revenue to be falling off, and not keeping pace with the expenditure, and certain proposals were made to replenish the Treasury. The principal of these was a land tax. Other means of obtaining revenue were pointed out, but no definite action was taken with regard to them. I refer to this because it was on the faith of statements then made that the present party got into office. I will not take up the time of the Committee unduly; one or two quotations are as good as a hundred to show the position which the then Opposition took up in connection with this question. The present Premier, who was then leader of the Opposition, speaking on this matter said:—

“The deficiency in this colony can be easily made up without taxation, simply by judicious retrenchment and moderate sales of land.”

And he concluded his speech by moving the following amendment:—

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

All the arguments that were adduced by the Opposition were to the effect that no additional taxation was necessary, and that the state of the finances was entirely due to the extravagance and over-expenditure of the Government in administering the affairs of the colony. I can speak freely on this subject myself, because at the time I thought that up to a certain extent the Government had not been as economical as they ought to have been; but I always bore this in mind, that they had not been more extravagant than previous Governments. I will now quote from the speech delivered on the same occasion by the present Minister for Mines and Works. That hon. gentleman said:—

“I will show him (the Premier) how the deficit might be met within the next three years without imposing one single penny of additional taxation on the people of the colony, and without selling a single acre of agricultural land fit for settlement by auction.”

A little further on he says:—

“They have made ducks and drakes of the revenue.”

And then the hon. gentleman goes on to say:—

“I am certain I could, in less than three years, wipe out the deficit without imposing a single penny of additional taxation, and without selling a single acre additional. I say that without fear of contradiction. . . . I say there is nothing in the Government departments, with the exception of the schedules, which the hon. gentleman cannot control.”

That last remark was made in reply to an interjection about increased endowments. In commenting upon the remark of the then Premier that the Estimates had been framed with economy, and could not be reduced without seriously hampering the efficiency of the service, the present Minister for Mines and Works said:—

“That is a statement in which I have not the slightest belief. I honestly say that whatever care the hon. gentleman may think these Estimates have been framed with, he is mistaken in his views, for I believe that they can be reduced, and the public service be carried on as efficiently as it has been at any time in the past.”

And the advice that the hon. gentleman gave to the Committee was that they should return the Estimates to the Government and say, “You must reduce your Estimates of Expenditure still more.” I will not weary the Committee with further quotations from those speeches; but this is the keynote of the whole contention of the then Opposition in 1887; and when that party went before the country they directed their attack against the extravagant administration of

the Government—their want of financial ability in administering the affairs of the colony. That was their real contention. I do not know whether the Vice-President of the Executive Council attacked the Government on that ground, but it was the general burden of the attack on the Government. They said: “We will show you how it is done. It is through want of financial administration that they have failed.” The fact is that the Opposition then saw the position so clearly that they abandoned several of the views they held on matters of public policy, and concentrated their whole attack on that point. There is no doubt that they were going to rehabilitate the Treasury without any additional taxation and wipe out the deficit, and it was on these grounds that they succeeded in attaining to the Treasury benches. But what has been the result? They gave up their pledges and brought in a tariff. They discarded the land tax and brought in a tariff. Despite all that has been said about it, there is no doubt that it presses unduly on the poorer classes of the community. I am not one to set class against class, but we must recognise the fact that the incidence of taxation in the tariff presses upon those who already pay quite enough, and those who are most benefited by the expenditure of Government money get off practically scot-free. Who are the persons benefited by the construction of railways? The owners of property. If you take a railway to a place you increase the value of land, in some cases 200 per cent.; but there is a limit to the increased value put on other things by railway construction. You cannot increase the value of a building beyond the cost of a new building. I do not intend to go into the Treasurer's figures in any way, because other hon. members have done that. The last speaker has said that he could not follow the hon. member for Carnarvon's figures, but I am not quite sure that I can follow his, and I do not know whether he thoroughly understands them himself. I rather fancy not. He said, when speaking about the tariff, that hon. members on this side in debating the Customs tariff of 1888 forgot the articles which had been placed on the free list which were not there before. Well, I find in this return, showing the quantity of articles imported duty free, from January 1st to June, 1889, which formerly paid duty, amounted in value to £11,139, and I find that has been deducted from the increase in the tariff, and has reduced that increase from £268,000 to £256,000 odd, but the hon. gentleman has most carefully avoided mentioning that. Now, the Minister for Railways has also said that the railways returned to the Treasury last year more than they had been estimated to return. Of course, if you take one side of the figures that will be shown, but then this wonderful Table I comes in again. I find that the balance of unexpended votes on the 1st July, 1888, in the Works Department, which then included railways, was £118,000. The balance of votes unexpended on the 1st July, 1889, amounted in the Works Department to £102,831, and in the Railway Department to £11,448. The Minister for Railways, if he was aware of that, was careful not to make any reference to it, and I would like him to explain how there was such a very large amount of unexpended votes in that department—a larger increase than in any other department—and an abnormal increase. In regard to this Table I, I think if the contention of the leader of the Opposition is not strictly true, yet there is a very large amount of truth in it. We are told that it makes no difference whether there is a large amount of unexpended votes or not. Well, the only element of uncertainty in it is as to how much of that £442,000 this year and the next year will lapse. That is the point.

What proportion of the lapsed votes will come out of it? All the rest without any doubt, is really liability as shown by the Estimates. The money might not have been expended, but the liability is there, and the money has to be spent. I come back again now to the question of the extravagance of the late Government and the present one. After such speeches as were made in 1887, and the amendment which was moved, one would really have thought that the present Government would have made some attempt to carry out and give effect to the views they then expressed. But what do we find? We find that they spent in 1888-9 £126,000 more than had been spent in 1887-8; and if we leave out the £88,000 spent in interest, there is still £34,000. If we look at the Estimates for the two years, which ought certainly to be a considerable guide in the matter, especially in connection with Table I, we find that in the year 1887-8 the Estimates by the previous Government were £3,723,000; and those for 1888-9 amounted to £3,930,000 odd, an increase of £216,000 over 1887; and if they spent only £38,000 more, we must bear in mind that that might be explained to a very large extent by the large unexpended vote between the two years. Now, how has this £117,000 which has been wiped off the deficit been obtained? By the return I hold in my hand there was a net increase under the new tariff of £256,000, and we find the money received from sales of land by auction amounted to £76,165 more than in the previous year; and yet the deficit was only reduced by £117,000. That shows that the Government have completely belied the pretensions they put forward in 1887. They obtained office entirely through the attack they made upon the late Government for extravagance, but they have shown no abatement of extravagance in any way whatever. If we look through the Estimates we see no indications of abatement. I know some members of the present Government think that no economy can be practised in the departments. I differ from them on that point. I know that the Minister for Mines and Works held the same views as I do in 1887, but now that he is in office he thinks differently. I think the Opposition would not be doing their duty to the country if they allowed these things to pass over in silence, and did not call attention to the fact that the Government had not been consistent in any way. It has been said that there is no cry in the country against the tariff, but I hear it in all directions; I hear Government supporters declare that they have been sold; that they had been led to expect that the Government were going to administer the affairs of the country in such a way as to wipe out the deficit without additional taxation, and yet they were taxed up to the eyes.

Mr. MURPHY: The Government are not magicians.

Mr. SALKELD: The hon. gentleman says the Government are not magicians, but I believe there was a sort of suspicion in the public mind that there was something of the magician about them—that they had only to wave the wand and money would come rolling into the Treasury; it was not to come out of their pockets; they did not know where it was to come from. But, as the hon. the leader of the Opposition said, you cannot take any more out of the Treasury than you put in; you must put the money in before you can take it out. We have heard a great deal about the blame attached to the late Government for the loss of land revenue during the last few years. Certainly there has been a falling off, but it is a falling off which must be expected from the very nature of the Act of 1884. The principle of that Act was not to kill the goose that laid the golden egg, but to keep and preserve it. That Act was

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an honest attempt to carry that principle into effect as far as it was possible to do so. They tell us there is no settlement going on, but people are taking up just as much land as ever, only they are not paying as much rent for it as formerly. Where is that money? It is in the pockets of the people, or put out at interest to enable them to utilise the land they have taken up. To hear hon. members on the Government side of the House talk in the way they do, one would almost think that the late Government had embezzled the money or sunk it in the sea, or something of that kind. As I have already said, that money is in the pockets of the people who have taken up land, and if they had paid for that land at previous rates the Treasury would have been overflowing; that is, if, instead of paying 3d. an acre for it, they had paid 1s. or 1s. 6d. an acre. And the land that the late Government did not sell by auction, where is it? It has not run away; it is still in the colony, and available whenever it may be required. If the late Government had sold £500,000 or £600,000 worth of land, and put the money into the Treasury, people would have thought they were magicians, from the way in which they kept the finances. I say that land is still here, and that, if they did not sell it, the present Government are going in for selling it as hard as they possibly can.

Mr. PHILIP: What has become of the land that has been sold?

Mr. SALKELD: It is here still. Some of the speculators got it at 5s. an acre, and sold it for pounds, and the people who paid that enhanced price feel the burden of it on their shoulders. That is one of the principal secrets of the cry in regard to the sugar industry—that the people paid too much for their land to the speculators. The second, or perhaps the third or fourth buyer paid far too much for their land; so much, in fact, that, they cannot make working expenses and interest out of it. Of course there are a great many causes for the depression in the sugar industry, and that is one of them. The Minister for Lands took exception to some remarks made in reference to large estates. I give that hon. gentleman all the credit due to him for honestly endeavouring to administer the Land Act. I am very pleased indeed to see it, and I am pleased also to be able to say that, whenever any grievances are pointed out to him, he really considers them. I have one to bring before him again, when the Estimates come on. I hope to persuade the hon. gentleman to see my view of the case; he does not see it at present, and I believe that when he does, he will do justice. I am also pleased to say that, as far as I am able to judge, he has been trying to administer the Land Act so as to settle people on the land. I believe in that respect the hon. gentleman is following in the steps of the late Minister for Lands, a man whose whole heart and soul was wrapped up in settling people on the lands of the colony. Of course he has different views on some other matters in connection with the lands; but he complained at the remark that he was in favour of large estates. His remarks amounted to this: that he was desirous of selling more land, but if we may take the Amending Land Bill as an indication of his intention he intends to increase the amount which can be sold by auction. An hon. gentleman sitting behind him is going to bring in an amendment increasing the area to be sold by auction to 640 acres. I do not know whether the Minister for Lands is prepared to accept that proposition, but it appears that the Government are going to sell as much land as they possibly can. Yet they always tell us that they do not want to impede settlement by selling land by auction. I maintain

that our good land which is accessible is scarce, and it is only when railways and roads are made that our good land is taken up. Now, what land are the Government going to sell in 320-acre blocks? Are they going to sell the poor ridges? Men will not buy that. The men who have money must have the best land, and that is the kind of land we wish to settle our farmers on, and the more land we sell by auction the fewer *bonâ fide* settlers we shall get. Hon. members talk about the Acts of 1868 and of 1876 settling people on the land. Under those Acts large areas of land were alienated, but there was little real settlement. The amount of land settled and cultivated is a mere fleabite compared with the total area alienated under that Act. That shows that alienation does not mean settlement, except in a very small degree. If the Minister for Lands wants to get authority to sell blocks of 320 acres in order to raise revenue, and fill the coffers of the Treasury, he will block the settlement of the country by *bonâ fide* agriculturists. Objection has been taken to the fact that the late Government did offer land for auction sale in larger blocks than 40 acres. It is a well-known fact that the auction clauses were brought in to meet the case of small blocks of land in the settled districts that no one would take up or put a bailiff on, as it would not pay them, so they were offered in small blocks at auction, and by paying £1 per acre the settlers obtained those blocks. I have never heard that the late Government ever used that right for any other purpose than that. Of course they sold town and suburban lots, as that was contemplated in the Act of 1884 all along. I must say that, whatever hon. members may say, the Treasurer's Budget Speech—and by that I do not mean only the speech itself, but what he has disclosed about the state of the finances of the colony on the 1st of July—was a disappointment to the country, in view of the fact that £256,000 additional has been raised by increased taxation from the Customs, and £76,000 more from auction sales, while the deficit has only decreased by £117,000. What great administration has the Government shown? They have not economised in the departments in any way whatever, but we see that in the future in several directions they are going to increase the expenditure. The headquarter staff of the Railway Department is going to cost about £6,000 more than we have previously paid for it; our Civil Service Board is to cost somewhere about £3,000 more; a Parliamentary draftsman will give a further increase of £1,000, and payment of members will be increased by the difference between two guineas a day and £300 per annum.

Mr. MURPHY: You voted for that, so you are responsible for it.

Mr. SALKELD: I did vote for it, and I am willing to take my share of the responsibility, but I am not responsible for the others. I may point out that the Government, almost without exception, do not believe in it. Then how could they consistently vote for it? Ever since I have been in the colony I have been in favour of payment of members, but not in favour of the principle of the payment of members' expenses. I felt that so strongly that I did not vote for the Payment of Members' Expenses Bill, because I believed in payment of members; but I do not believe there is one man on the Treasury bench who believes in it.

Mr. MURPHY: Not one, I hope.

Mr. SALKELD: I consider the Government have failed to carry out the principles on the strength of which they obtained office—that is, economy in the administration of the Government of the colony, and doing without any additional

taxation. They have raised this extra money, and yet the result has been only to reduce the deficit by £117,000. Where is the financial ability shown in that? I am sure that thousands of people really believed that the Government were going to be the Government of all the talents, and especially in finance. They have been in office fourteen months now, and what result do we find?

The PREMIER: We are on these benches.

Mr. SALKELD: The Premier says that we see the result in their sitting on the Treasury benches. He has always been the wit of the House, and we know he has had to restrain himself since he has been on the Treasury benches, though occasionally he cannot help letting it out; but we do not see the results of their clever administration. The verdict of the country will be that they have failed. People will see that they are not the magicians they pretended they were, and a revulsion of public feeling will take place. I am not disappointed, because I always expected that the result would be as it has turned out. I contended during the last general election that the late Government had administered the finances as well as any previous Government—but not as well as they ought to have done—and that the gentlemen then aspiring to power, with all their pretensions about administering the affairs of the colony so much better than the Liberal Government, would be at fault. Exactly what I thought would take place has taken place, and when I again go before my constituents, as I intend to do after the session is over, I shall quote from some of my speeches to show that what I said has all come true.

Mr. SAYERS said: Mr. Jessop,—Before the debate closes I should like to say a few words. It seems to me that the whole of the discussion has been on what the previous Government did, what the present Government intended to do, and what they have done. Nothing can be plainer than that if the present Government had allowed the tariff to remain as it was when they took office, they would have had a deficit this year of £140,000. I remember when the present leader of the Opposition stated that additional taxation was required, hon. members on the other side cried out against it, and so did a large section of the public outside; but as soon as the present Government got into power they found that they were unable to carry on without extra taxation. They have said a lot about the drought; but I think it would have been honourable on their part if they had admitted that the past year has been the best of the last five years.

Mr. MURPHY: Worse than any.

Mr. SAYERS: I am satisfied that what I have stated is the fact, and that it is also the opinion of the country generally. It has been stated that on account of the drought the revenue from the railways was less than was expected, but I say that in some parts of the colony, the drought caused a larger revenue from the railways, because goods had to be imported to supply the deficiency of produce caused by the drought. In more favourable seasons that amount of produce would not have to be carried over the railways. That is a fact, so far as the Northern lines are concerned, at any rate. I know that, two years ago, a gentleman who was elevated to the Upper House last week had to bring to his station hundreds of pounds worth of imported hay to feed his cattle and stud stock; but that had not to be done last year. So I take it that last year was a better season for the pastoralists than previous years.

Mr. CASEY: The worst season ever known.

Mr. SAYERS: The hon. gentleman is of one opinion and I am of another opinion; and I will leave it to the country to decide who is right. A great deal has been said about the action of the Opposition in connection with the tariff. I am aware that when the new tariff was introduced we divided the Committee on certain items, but we were given to understand by the then Treasurer that he intended to carry the tariff as it stood; and we could see that it would be useless to waste time in dividing over every item to which we objected. The hon. member for Herbert referred to Northern members being opposed to the tariff. Last year that hon. gentleman voted for certain items in the tariff and he told me himself that the tariff brought in by the Government would assist the cause of separation. He said that the tariff would assist separation, and that the Northern members should be prepared to go in for separation. But we on this side are not prepared to go in for separation at present, though Northern members on the other side are prepared to go in for it. We all know the reason why they are prepared, and that is the reason why other Northern members are opposed to it. I shall not introduce that reason into this debate because it has nothing to do with the discussion. I must say I am greatly disappointed that there is only a very small sum provided in the Estimates for the mining industry.

Mr. MURPHY: More coddling!

Mr. SAYERS: We do not want coddling; we want what is fair and right. In Victoria, the colony which the hon. member for Barcoo is always holding up as a great example, the mining industry has always been coddled, as he would call it; and at the present time more is being done there for the mining industry than ever was done before. I stated in my speech upon the Address in Reply that the Government should assist the mining industry to a larger extent. If such an amount as £20,000 was offered for the discovery of a goldfield that would carry a population of 2,000 people twelve months after it was discovered it would be an inducement to people to prospect. The discovery of a field such as that would pay the Government very well, because it would bring people into the colony. Last year the Government paid about £112,000 in bringing about 7,000 people to the colony, whereas if a goldfield such as Gympie, or Charters Towers, or Croydon were discovered, thousands of people would come from the other colonies who had experience of the colonies and who would settle with their wives and families and become permanent residents. If money is invested by the Government in that way, they will receive a large return. But what do we find? In the Estimates of expenditure, we find that £2,000 was offered in aid of deep sinking last year and nothing this year, and lower down the page we find that £3,000 is to be offered for prospecting; last year £2,000 was spent in this direction. I do not believe in the system under which the Government have spent this money, either this or any other Government. That money has been frittered away, and the colony receives no return, because in all cases the persons appointed on these prospecting expeditions have been appointed through political influence. If the Government offered the reward I suggest, private enterprise would step in, and instead of one or two prospecting parties, there would be hundreds. If a goldfield was discovered the reward would be claimed, while if they failed, the country would lose nothing. There are hundreds of men in the colony who would be only too happy to spend their own money if any inducements were held out or a prospect of a reward. The reward

that is offered at present is merely a nominal sum. The hon. member for Barcoo, in a joking manner, spoke about the country being saddled with a certain kind of saddle, and said the more it galls the more the people will get used to it. But those who represent populous districts, who have to stand contested elections, will find the country is not satisfied with the tariff, and the day will come when those hon. members will see that what we on this side of the Committee are saying is correct. It is all very well for some hon. gentlemen to say that the country is satisfied with the tariff, but they are members who will not have to stand contested elections. Their seats would be secure if an election took place to-morrow; but I fancy other hon. gentlemen will not be able to say so when the time does come. A great deal has been said about the sale of land, and I believe the hon. Minister for Lands and others have stated that they intend to sell the land. I, for one, am not in favour of selling land, and I shall oppose it with my voice and vote. When land has been parted with, though it may stay here, the value of that land to the State will be gone for ever. Under our present law, when once we sell the land it is gone from us, although we may put a tax upon it. I believe the hon. member for Barcoo said that when the time came, the 20,000-acre homestead selectors will be so strong that they will bring pressure to bear upon any Government, and no Government will be able to resume land. But if the number of such persons who hold land can bring pressure to bear upon the Government, what will the large and small freeholders be able to do? They will have ten times the influence, because in the western country there will be only one whom the tax will not affect to twenty freeholders whom it will affect. That cannot be disputed, and it will be impossible to impose a land tax. When once the land is parted with, the Government will have no control over it. All those who do not believe in the sale of land contend that if the Government retain the land in their hands they will get the enhanced value which will accrue to that land through people settling in the colony. If the Government had retained three or four acres of land in the city of Brisbane, look at the enormous price they would be able to obtain for it now. Land they sold for £10 or £15 is now worth £50,000 or £60,000. Therefore, if the Government retained the land, even with a deficit of £2,000,000, in a few years the enhanced value of that land would wipe out that deficit. Land in Victoria and New South Wales is worth from £1 to £5 per acre in rent, and who receives the benefit? Not the people of the country. The people of the country have, in some instances, to pay rent to men who do not stop in the country—what they would call in England or Ireland absentees. What do the Government get when they part with the land? Very little indeed, and the value of that land is increased a hundredfold. Another thing we on this side of the Committee believe in is this, that the Government should have brought in a property tax instead of the tariff they did. Everybody in the colony should be taxed according to his property. The Government have to find police, and armaments to defend our coasts, and a defence force at a cost of something like £100,000 a year to the colony. What is that for? It is simply for the defence of property. In all countries the military and police are maintained principally for the protection of property, and in the event of any descent on our coasts, such as the hon. member for Barcoo said he would like to see, because it would cement the colonies together, it is the persons who have property who would reap the most benefit from

our defence force and our armaments along the coast. If Brisbane were bombarded to-morrow it is the property owners who would suffer. There has been a great deal said about railways in the course of this debate, and the Minister for Railways made a very good speech in defence of the railways, but I must say that in some cases, although the traffic decreased last year, the expense did not decrease. I think the hon. gentleman in managing the railways should do the same as any man would do in his private business, and that is, when the work is light decrease the staff, and then when the earnings increase the staff might be again increased. If worked in that way, the railways would not be the loss they are now. I am not going to repeat what has been said so often about the Northern Railways being paying lines, or quote any figures on the subject. But I would say here that we have asked for a railway from the coast to the Gilbert and Etheridge country. That, we have every reason to believe, from our experience in connection with railways made to other goldfields, would be a good paying line, and I think the Government should make lines that have a good prospect of being payable, before other lines that are undertaken. I do not object to branch railways being constructed to open up the country, but I contend that those which have an immediate prospect of paying, should receive the first consideration. As the hour is late, and I do not wish to delay the reply of the Colonial Treasurer, I will not further take up the time of the Committee.

Mr. HUNTER said: Mr. Jessop,—I am very sorry indeed that more Northern members have not spoken on the other side of the Committee. A great deal has been made by the people of the North, especially the separation party, of the additional taxation that has been imposed on the people by the present Government, and I am surprised to find that only one Northern member on the Government side of the Committee has spoken on this question, but I was pleased to notice that that member had the courage of his opinions. That the North is unduly taxed must be admitted by every member of the Committee. The principle sources of revenue in the North are the railways. Then we have the large land sales that were held at Normanton and Cairns, and the very large revenue on the machinery that has been imported into the North. This machinery has not been of the mixed character of the machinery imported in former years, but has been mostly mining machinery, because we know that very little sugar machinery has been imported. A proposal was made during the discussion on the tariff to have differential rates for North and South Queensland. There is a differential tariff for the Northern Territory and South Australia, and why should we not have a differential tariff in Queensland? The reason why we have not is that a certain class of people in North Queensland want separation, and they are prepared to see measures as bad as can be introduced passed to further the objects of their agitation. They are prepared to receive a tariff which will impose on the people three times the burden the present tariff imposes, in order that they may accomplish their object. We have been invited this evening by a Northern member to join together and go in for territorial separation. We do not want territorial separation. We want differential duties and financial separation, and then we shall have all we require for many years to come. I think the time will come when Queensland will have to be divided, but I am sure the majority of the people will never consent to separation while it is advocated by the party who at the same time advocate the extension of the period for the

employment of Polynesian labour. I would like to see the Government giving some encouragement to the introduction of new machinery that is being adopted in other parts of the world, especially in America. But what are they doing? If a person makes any discovery in connection with machinery for the treatment of minerals, instead of encouraging him to come here and test it, they put a duty of 15 per cent. on the machinery. It would be far better for the country if a bonus were offered to persons who would introduce any machinery that would eclipse that already in use in the colony, than to tax such machinery. I quite endorse the remarks of the hon. member for Charters Towers with regard to offering a bonus for deep sinking. Instead of placing obstacles in the way of mining, we should try to keep the industry in that flourishing condition in which it is now, and I believe the Government would have the support of this Committee if they put a sum on the Estimates for the necessary rewards for the discovery of goldfields and for bonuses for the invention of gold-mining machinery. There has been a great deal said about taxation in one form or another. When the present tariff was before the Committee, I advocated a tax on dividends. I do so still. I believe that such a tax is the best we could possibly impose, and that it would really fall on those people who could best afford to pay it.

The PREMIER: On widows and orphans!

Mr. HUNTER: In many cases widows and orphans who are in receipt of dividends can as well afford to pay a tax as those men whom the Government would like to see working twelve hours a day. Nearly every industry in the colony is now being worked by public companies. It is so in mining, and also in connection with land transactions. The greater part of the land speculation is carried on by public companies. Our banking companies are well able, and are, I believe, willing, to pay something towards the revenue in the way of taxation upon dividends. So much business is being done by public companies at the present time that I think the Government could not do better than to propose a tax upon dividends, and I am sure the mining community would welcome such a tax. Hon members may laugh at that, but I am sure the statement is correct. I do not know whether the brewers are prepared to be taxed, but I think they could well afford to pay a tax upon their dividends. There is another thing to which I have referred before, and that is the administration of the Stamp Act. It might be made to bring in a great deal more to the revenue than it does at the present time, because it is well known to any man who has much to do with dealing in shares in this colony that that Act is evaded to a great extent every day. I have before advocated an alteration in the Act, but while it is the law it should, at least, be thoroughly administered. I was very sorry and surprised to hear to-night that the policy of the Government in the future is to sell as much land as they can possibly find purchasers for.

Mr. MURPHY: Who said that?

Mr. HUNTER: It has been said by more than one member on the Government side and they have said that they are sorry there are not more purchasers to be found than can be found at the present time. I am very sorry to hear that that is to be their policy, because I do not believe in selling the lands to a great extent. I believe in keeping them, getting rents from them, and letting the Government still be the landlord. The Government, I am sure, must have had a very severe lesson in the chopping up of the lands. Surely they cannot yet have forgotten their Transcontinental railway scheme,

by which it was proposed to give away the pick of the lands of the colony to a syndicate prepared to construct that railway. If such a proposal as that had been brought forward by the present Opposition party they would never have been allowed to hear the end of it.

Mr. MURPHY: They assisted in passing the Act. Read your history.

Mr. HUNTER: Surely that has been a lesson to the Government on this subject of throwing away the lands of the colony, and I hope they will not carry out their expressed intention in this respect. I do not believe they will. I do not entirely agree with what has been said by the hon. member for Charters Towers about the railway to the Etheridge, as I think we have no reason to grumble about it. I think we are getting justice from the Government in that matter, and it is their intention to push that railway on at the earliest possible day; and I firmly believe that as soon as it is completed it will give a return of 5 per cent., if not more. I am sorry that more of the Northern members have not spoken, because even if those of them on the Government side spoke, I think they must endorse what I have said.

Mr. PHILP said: Mr. Jessop,—I will not occupy your time very long, but after the last two speeches I must rise, because the last two speakers have stated that the reason Northern members on this side assisted to pass the last tariff was to bring about territorial separation all the sooner. I remember distinctly stating that Northern members on this side, supporting the Government, would not take advantage of the increased tariff in any way to make the Northern people dissatisfied, and, as a matter of fact, we tried to do what we could to modify the tariff. It is, therefore, all nonsense for the member for Charters Towers to say that we assisted to make the tariff press unequally upon the North and the South. What I have to say is that I feel more than satisfied with the returns put in our hands by the Treasurer. This is the first time during the last five years that we have been able to pay our way and have a small balance in hand, and I think the balance shown is very satisfactory. During the previous four years we were getting into a most deplorable condition, and notwithstanding the fact that the present leader of the Opposition brought in additional tariffs every year, he could never meet his expenditure, and in four successive years he was behind-hand about £968,000. Here we find the present Ministry, after their first year in office, able to bring forward a balance of £117,000 to defray the deficit which accrued under the administration of the leader of the Opposition. As to the tariff, I do not suppose it pleases one member in the Committee altogether, but it was passed by the majority, and we must submit to the majority at all times. We cannot be continually bringing in new tariffs, year after year, as that would disarrange trade all over the colony, and we must be content, I think, to have this tariff in operation for some years yet. I had hoped that, perhaps, in the following year, we might be able to reduce some of the taxation; but I do not see much chance of doing it now for the next three or four years, and I may say that I do not believe it would be wise for the Government to wipe off a deficit of £500,000 or £600,000 in one or two years. I think it is better that it should be gradually taken out of the people of the country. Like the Minister for Railways, I do not like taxation at all, but we cannot carry on public works without it. If the Treasurer keeps Table Q before him when he is framing the fresh loan expenditure, and is

guided by the tables placed in our hands, I hope there will be no occasion to get so far behindhand as we have done in the past. I hope he will take care that the charge upon the consolidated revenue fund for railways shall never exceed the sum of £396,000. If he keeps this Table Q before him, and looks out for districts in which there is a probability of railways paying interest upon their construction, I feel certain he will not increase that sum. I think it is quite time that members on both sides of this Committee should assist the Government in keeping down these obnoxious political railways, which have been the curse of the country. If we are careful to be guided by the reports which will be submitted by the Railway Commissioners, after careful inspection of the various lines of route suggested, we shall certainly not be likely to be led away, as we have been in the past, in the matter of railway construction. A good deal has been said to-night about freetrade and protection. One of the strongest protectionist members, the hon. member for Enoggera, I believe, made one of the best freetrade speeches that has ever been made in the House to-night. His contention all along was that if we had not increased the tariff, but had adopted a land tax instead, we should have been in a better position. I am one of those who do not believe in a land tax, and I had the courage to vote against it when it was proposed. I think the lands are taxed more than sufficiently at present, through the taxation of divisional boards and municipalities, and I think, instead of the Government bringing in land tax proposals, it would be better if they tried to see how they might reduce the endowment we are now giving to divisional boards and municipalities. According to the schedules for this year, the amount of endowment to divisional boards reaches £270,000. Nearly the whole of that money is spent about Brisbane; and you must remember that when the Divisional Boards Act came into force all the roads about Brisbane had previously been made by the Government, while the outside districts had never had a shilling spent on their roads. Instead of getting £2 for £1 they are in many cases entitled to £4 to £1. Those boards have machinery for the collection of a land tax, but if these endowments cease they will not collect more than the people who own the land can afford to pay. They would, however, be much more careful in their expenditure, whereas if they find the Government are willing to go on giving them this £2 for £1 they will go on increasing in extravagance. Instead of revenue it is more important that we should look after expenditure. We should try to keep it as much as possible within reasonable limits. The existing public debt cannot be reduced. Now that our railways are placed in the hands of three Commissioners I hope their efforts will be devoted to keeping the expenditure on the railways well within bounds, and make them pay in some cases more than they are at present doing. Some classes of produce are carried at one-fifth and one-sixth less than other classes of produce. That should not be the case. I do not see why maize should be carried for 25s. a ton when wool has to pay £5 or £6 a ton. It is now rather a late hour, and I understand the Treasurer wants to finish the debate to-night. I can only say that I am gratified, as a member of the Committee, that we are now living within our means. We want to have a good name in the London market, as we shall have again to borrow money there. It is almost a necessity that we must go on year after year spending a certain amount of money, but I trust the amount will not be increased. In 1883-4 the amount of loan expenditure was £1,600,000; in the following year

it was £1,500,000; in 1885-6 it was nearly £2,000,000, and a similar amount in 1886-7; in 1887-8 it was £1,700,000; and last year, £1,600,000. There is no doubt it is owing to the excessive sums spent in times past that placed us in the position we were in twelve months ago, and forced us to go the country, and increase our tariff. Now that we have got our finances into a sound position I trust they will be kept so, and if we only spend money on railways where there is a probability of their paying I feel satisfied we shall not make the lee-way we have been doing during the last five or six years. We could well afford to stop some of the railways now in existence.

Mr. MURPHY: Such as the Cairns to Herberton Railway.

Mr. PHILP: That is not the worst railway now being built in the North, because there is a good district when you get there; but there are other railways in the North which might be well stopped altogether. As to the Northern Railway, there is £250,000 owing to it by the Government, which might be well spent, as it would give a return of at least 3 per cent. or 4 per cent., and what better interest could the Government get for their money than that? It is not like the Wide Bay and Burnett line, which only paid 5s. 5d. per cent. last year.

Mr. HYNÉ: That is not a fair quotation.

Mr. PHILP: Here are the figures:—In 1883-4 it paid £1 4s. 9d.; in 1884-5, £1 13s. 11d.; in 1885-6, £1 5s. 1d.; in 1886-7, 9s. 5½d.; in 1887-8, £1 9s. 8d.; and last year, 5s. 5d. per cent. It would be far better to spend money in building railways to mining districts, than in equipping prospecting parties in the Northern part of the colony; and I believe that if the Croydon Railway was extended from Croydon to the Etheridge the Treasurer would obtain a very much larger sum from the Customs. He would settle there a population of at least 10,000 miners, who are the biggest taxpayers in the country. Per head, I believe, they are the largest consumers of dutiable articles in the colony. I hope the Treasurer will bear that in mind when he is framing his next Budget.

Mr. MURRAY said: Mr. Jessop,—I have only a few words to say on this question. We find that the export of gold for 1888 amounted to £1,662,639, of silver ore to £3,672, of copper ore £4,562, of tin ore £230,360; or a total of £1,903,233. To show how our mining industry is increasing, I need only state that during the first six months of the present year the output of gold has been £1,400,000. At the same rate for the whole year the amount would be £2,800,000, which, with our silver, tin, and copper ores, will make up a grand total of £3,040,394. How much have the miners contributed to the State for extracting this amount of wealth from the country? The vast sum of £29,042; and I believe the whole of that sum is swallowed up in the working expenses of the department. So that really the mining community extract wealth from the country of the annual value of over £3,000,000, and actually contribute nothing to the State.

Mr. SAYERS: That is nonsense. What about Customs duty?

Mr. MURRAY: That is the amount received for miners' rights, license fees, and other direct sources; and I ask if that is a fair contribution to the State for the right to extract this enormous wealth from the country?

Mr. SAYERS: Tax Mount Morgan!

Mr. MURRAY: I shall come to that presently. Contrast this with what the pastoral interest is doing for the country. The export of pastoral produce for 1888 was:—Wool, £2,258,365;

preserved meat, £79,187; tallow, £57,193; hides and skins, £30,217; and live stock, £3,089, or a total value of £2,446,051. Now we find that the pastoral lessees alone contribute to the State, in the form of rents, £318,795, and it must be borne in mind that the product of the pastoral interest is an absolute product. Wool is an annual product, and twelve months ago had no existence. Gold, on the other hand, is extracted from the State, and cannot be considered a product at all, and though it is extracted from the State it contributes nothing to the State. Now, I think that statement ought to put the mining members of the Committee on their guard when they talk about what a little is done for the mining interest as compared with other interests.

Mr. MURPHY: It wants bolstering up.

Mr. MURRAY: We have one mine in this colony extracting gold to the value of £1,250,000 per annum in the form of dividends, and it contributes to the State only £52 per annum.

The COLONIAL TREASURER: You do not know what you are talking about now.

Mr. MURRAY: I know that at the present time that mine is yielding annual dividends of £1,250,000, and contributing to the State £52 per annum, and I think these little facts will show hon. members when they talk about taxing split peas and barley, the necessity for turning our attention to these large sums, and see if we cannot get some more revenue from those sources. I think that a tax upon the dividends of mining and other companies would be a very fair tax.

Mr. SAYERS: We will support you.

Mr. MURRAY: I think that the mining interest should be encouraged to this extent, that companies should be allowed to carry on operations until they are paying dividends equal to 15 per cent. upon the capital sum invested.

Mr. SAYERS: There would be very few taxed.

Mr. MURRAY: I would not propose to levy a tax on mining companies until they were doing that; but after that, taxation should go on in an equal ratio with the dividends. By this means the State would receive something like a fair proportion of the unearned increment. It is unearned increment, and it would be a fair thing to the State to tax it. With regard to the sale of land, I am a great believer in its sale. I believe it would be less trouble for the Government to deal with freehold than with leasehold land. I believe before the expiration of the present leases that were granted under the Land Act of 1881, we shall have such a body of tenants under the Crown, that it will be impossible for any Government at that time to deal with them. I think, then, the best policy is for the Crown to sell its land, and then when sold to put a tax upon it; but not until it has doubled in value. That would give very fair encouragement to the pastoral interest, and then the tax could be calculated, as it is under the Local Government Acts, according to the annual value of the land. The tax would become, as it were, a burden on the property; it would be part and parcel of the property, and would go on increasing with the value of the property, and be payable to the State. Thus the State would secure some contribution from the unearned increment. I do not think I need detain the Committee longer. I would not have spoken, but for the remarks that have been made about the mining industry, and I have spoken to show the Committee and hon. members the exact position of that industry—what it does for the country and what the State is doing for it.

Mr. HYNE said: Mr. Jessop,—I rise to protest against the hon. member for Townsville, Mr. Philp, using those figures in the revenue table, showing the returns of the Wide Bay railways. I think it is unjust, because those figures have been sufficiently explained by the Minister for Railways, and I should have thought that that would have been sufficient for any hon. member. It has a very damaging effect on our district, and I must protest against it. I am surprised that the hon. member for Townsville should have used those figures. He is always giving us nasty jars about our railways—for what reason I do not know. He is a member of a firm that draws thousands a year out of Maryborough, and why he should give us those nasty jars I cannot understand when he knows that these figures do not represent the returns of the Wide Bay railway. I rise to protest against the hon. member's action, as one of the members for Maryborough, and one very much interested in the return of our railways.

Mr. PHILP: I quoted the figures for six years, from 1883 to 1889. As to drawing money from Maryborough, I do not draw a shilling. I send a great deal into Maryborough and get nothing in return.

The MINISTER FOR MINES AND WORKS said: The mistake occurs through the two districts of Wide Bay and Burnett being joined together. If they were separated the Wide Bay railways would show a good return but they are joined on with the Burnett railways and so show a bad return. The Maryborough and Gympie Railway I believe pays 5 per cent.

Mr. HYNE: We should have had that explanation before.

The COLONIAL TREASURER said: Mr. Jessop,—It is rather a late hour at which to reply to the criticisms that have been made on my Statement. I think I may say that, so far as I can judge, and I have listened most attentively to the debate all through, there is very little damage done to the Statement as delivered. That Statement, together with the tables and a few remarks that may be made by me, may be taken as a very fair account of the financial position of the colony on the 30th June last. The hon. the leader of the Opposition has said that he was very much disappointed with the statement, and the same remark has been made by the member for Toowong and the senior member for Ipswich. Well, I should be surprised if it were otherwise. Of course, the functions of the Opposition, and especially of the leader of the Opposition, who was Treasurer in the late Government, are to criticise closely and carefully the utterances of any member on this side of the Committee, and more especially does it devolve upon him to criticise the Financial Statement. He began doing so by disputing my Estimates of receipts, and notably those of the Railway Department. Supposing the hon. gentleman's figures were correct, there is no doubt that I should be very seriously out in my calculations; but the hon. gentleman knows full well where the Treasurer derives his figures from in framing his Estimates. They are furnished by the head of each department, and after consulting in Cabinet, and also with each individual Minister, the Treasurer arrives at a conclusion whether there is an over or an under estimate of the department. In each case that has been done, and I am convinced that the Minister for Railways made a very safe estimate of what the receipts will be during the coming year. The hon. the leader of the Opposition further doubted the figures of the probable receipts under the Stamp Act. There I confess I have some little doubt myself, or rather I had, but,

after thinking the matter over very carefully, I think the amount put down will be fully realised. I think the hon. gentleman stated that at about £15,000, and the gross total which he arrived at as being the amount that the Estimates will fall short was about £152,000 or £153,000. That was without considering the Estimates of land. I think the Minister for Railways has satisfied the Committee this evening as to the justness of his opinions, and has shown that he has got a thorough grip on his department and understands exactly what he is talking about when speaking of the railways of the colony. He pointed out clearly and honestly where railways failed, the reasons for their failure, and why he anticipates that some under construction, and others which he will have to submit to the House, will not pay. This is a melancholy fact, but we cannot get over it; we have to admit it to ourselves, and there is no doubt that it does contribute enormously to the amount of interest we have to pay year after year—a fast growing amount, as has already been very forcibly pointed out by the hon. the leader of the Opposition, and the Ministry were certainly not blind to the fact. I have called marked attention in my statement to this fast growing amount, which has now reached something like £56,000 over the million, and I see an early prospect that it will be largely increased. The Ministry are fully alive to the question as to how future loans should be expended. I quite agree with the hon. the leader of the Opposition in saying that Loan Estimates should be passed by this House, and I think he will have no difficulty in convincing himself that, as far as the Government are concerned, that course will be carried out. It is to me a matter of very much regret that, in the past, the hon. gentleman did not adopt that course. If he had, I think many of the railways now in existence would never have been undertaken, but the £10,000,000 loan was forced through, including railways, necessary and unnecessary, political and non-political. The hon. gentleman referred last night to the apparent disappearance of a million and three-quarters from the loan fund. To some extent that has been dealt with by the Minister for Railways, but not fully so. There is an apparent deficiency in the figures, as pointed out by the leader of the Opposition, of about £350,000, but it admits of very easy explanation, and possibly the thought may have occurred to him as to how it has been brought about. The charges for floating the £10,000,000 loan, and the depreciation thereon was £324,768. If that sum is added to the amount already accounted for on the tables, I think it will fully explain how the total amount is made up.

The PREMIER: What was the cost of floating the loan?

The COLONIAL TREASURER: £324,768. Perhaps there is less occasion now for me to refer to Table I than there was last night; but some hon. members appear to think, and I confess that it is a very confusing table even to myself. I had never studied it until preparing my statement, and now I can quite realise the confusion that may arise. It is very easy to understand that up to the 30th September there will be unexpended balances, but we can only guess at what those unexpended balances will be. I believe I am quite safe in saying—it is not very long to wait—that instead of there being £90,000 unexpended balances—

The Hon. Sir S. W. GRIFFITH: Lapsed votes.

The COLONIAL TREASURER: That instead of there being £90,000 lapsed votes, there will be fully £180,000, or double £90,000. I say

so upon the authority of a gentleman whose opinion I know the hon. gentleman values as being very reliable.

The HON. SIR S. W. GRIFFITH: The table should have said so.

The COLONIAL TREASURER: Well, the table must say something, and really I do not see the necessity of having such a table at all. I confess that it is misleading, and I consider it a mistake to have a table which is misleading to any individual member of this Committee. And if it misleads hon. gentlemen who are familiar with finance, gentlemen who pose, and I believe rightly so, as men who are well up in finance, such as the hon. member for Toowong and the hon. senior member for Ipswich—

Mr. BARLOW: It does not mislead me.

The COLONIAL TREASURER: Well, I rather think the hon. gentleman's remarks last night gave some slight indication that he had been somewhat misled, as I think many other hon. members of the Committee were. I do not know whether the hon. member knows too much. I have listened to him with a great deal of attention, but sometimes he rather misleads himself. However, I am perfectly willing to listen to him on questions of figures, as he is a banker of some eminence, I believe. I think that he, and many other hon. members of the Committee were somewhat misled by that Table I, and should I again have to appear in the capacity of Treasurer of the colony, I think it is more than likely that such a table will not be presented—at least, not in its present shape.

The HON. SIR S. W. GRIFFITH: It is furnished in the other colonies.

The COLONIAL TREASURER: There may be some trifling errors in the tables presented to the Committee, but I pride myself they are moderately accurate. Some little dispute has arisen as to some of the calculations, but I am quite prepared to justify every calculation submitted to this Committee by myself in the statement. In reference to the estimate of receipts from the lands of the colony, I think I need say very little about that, nor do I think that estimate is sufficient to justify any hon. member in arriving at the conclusion that it is the intention of the Government, or of the Minister for Lands, to sell lands largely, or in such a way as many hon. members have contended. I do not think I am going too far, or using too strong a term, when I say they have twisted the utterance of the Minister for Lands when they stated that the result of the proposed sales by auction will be the aggregation of large estates. If the Minister for Lands were in favour of such a scheme as that—and I know he is not—I think that the rest of the Government would object in a body to his doing so; and therefore hon. members may rest assured that it is not the intention of the Government or the Minister for Lands to do what is suspected by members opposite. The only thing that the Minister for Lands will ask is that the land may be sold in blocks of 320 acres, instead of in 40-acre blocks. Surely that is not a very large area, and it will take a large number of such blocks to create a large estate. A block of 320 acres in bad seasons is not enough to keep half-a-dozen milch cows, and even in the best of seasons it would not keep very many. If a man is anxious to settle upon the lands of the colony, surely you must give him land enough to make his living out of it, and I think the Minister for Lands is quite justified in asking for an alteration of the law to that effect. The revenue he expects to get there is not much doubt will be realised. Many hon. members seem to think that the lands will produce too much revenue. I

shall not unduly press him to get money for the Treasury beyond the fair requirements of the Treasury. As regards the tariff, it is no use at this late hour endeavouring to discuss the question whether it is a freetrade or a protective tariff. The hon. member for Enoggera has called the attention of the Committee to the speech delivered by myself in seeking re-election in Rockhampton in December last. The hon. gentleman has fairly quoted me, and that is not the only occasion when I gave utterance to that opinion. The leader of the Opposition, last night, called attention to the fact that when the Vice-President of the Executive Council and myself were in Rockhampton at a banquet we expressed ourselves in different terms to some extent. It may appear strange, but I contend that our ideas are the same upon that question. You may call the thing protection, while we may call it freetrade. If we attempt to define where freetrade ends and protection begins, it is a very difficult question, and I very much doubt whether the leader of the Opposition, with all his great talent and ability, could exactly put the peg down in the proper place. But it is no time now to discuss whether it is a freetrade or a protective tariff. I contend that the question of protection had nothing to do with the framing of the tariff. It is well known that I am a freetrader, but I do not go so far as to say that necessity might not compel me to support a protectionist Ministry if I found it for the benefit of the colony, or if I wished to keep a bad party out of power. On those grounds I might become a supporter of a protective policy; but I say the question of freetrade was never considered in the framing of the tariff. Hon. members say that the tariff has done little or nothing, but it has created a surplus of about £116,000. I was rather disappointed, as I said in my statement, that the results were not greater, and I think I was quite justified in speaking as I did at Rockhampton about the amount which would be realised. Seeing that I had the result of the Treasury returns for the first five months of the year, I was quite justified in anticipating that by the end of the year the deficit would be completely wiped out. I might take the blame for not looking more deeply into the thing, and seeing for myself what it was which caused the great inflation of the Customs returns during the first five months of the year, but I took those returns as the probable average for the year. My expectation has not been realised, but had it not been for the tariff, where would we have been? The last year the leader of the Opposition was in office he finished the year with a deficit of £192,000, but our tariff, in addition to producing £116,000 of a surplus, made up that £192,000, and by adding the £192,000 and £116,000 together, hon. members may see what the tariff has done—the much-despised tariff which has been said to be so oppressive to the working man. I think a great deal too much has been made of the working man. He turns up in every shape, and meets us in every corner. I am not generally supposed to be unfriendly to the working man, but I have to come to this Committee, to learn the contrary. I can appeal to the past as one of the largest employers of labour—if not the largest—in the Central districts in days gone by; and at the present moment I am one of five directors giving employment to something like 1,300 men. I have yet to learn that I could ever be looked upon as an oppressor of the working man, as I am rather the reverse. I shall not speak upon that further, inasmuch as I do not think it fair to drag self into a discussion like this, especially as time is so limited. The hon. member for Enoggera appeared to use a sort of double-barrelled argument.

At one time he argued in favour of protection and what the tariff had done, and then he argued in favour of freetrade and what it had done. The only thing I could extract from his argument was that the effect of the tariff would be to drive the consumers to the necessity of a property tax in the future. Possibly it may have that effect, but there is one thing I am certain of, and that is, that when this Ministry came into office there was a strong feeling in favour of protection throughout the whole of the constituencies. They have got a small instalment of it now in this tariff, which is a revenue tariff, I contend, with protectionist tendencies. There is no doubt of that. This little instalment of protection which the consumers have had is a homœopathic dose administered very gently; and I think the small dose they have had will satisfy them that protection is not what the working classes want in the future. With respect to the disappearance of £1,750,000 of loan money, the leader of the Opposition will see that it would have been almost as well if he had left that part of the subject alone. I certainly understood the hon. gentleman to say last night that the bulk of that money disappeared during the past year, the year the present Ministry have held office; but the hon. gentleman has corrected that by saying that he said "the last year or two." I scarcely think he is doing himself justice in going one year back. The present year I can answer for, and I can point out further that it disappeared neither during the present year nor last year, but that the disappearance was gradual, and extended over a series of years. The matter has been so well dealt with by the Minister for Railways that I think the Committee are convinced that there has been no such disappearance without the authority of Parliament. Hon. members will see by referring to the tables that the loan expenditure last year was £1,640,000 odd, which is a falling away of £90,000 from the previous year's expenditure. That shows that we have exercised economy in the expenditure of loan money as well as in the expenditure of money from consolidated revenue. In my statement I have claimed that we have exercised extreme economy in dealing with the finances. We felt impelled to do it, and it has been no unusual thing for Ministers, without getting a reminder from the Treasurer, to say they would like to do certain things, but could not do them, because of the necessity for keeping down the expenditure. We would like to have done much more than we have done, but we think we have done enough—perhaps with loan moneys more than enough. Perhaps in the future we may spend less loan money than in the past; at least I hope so, unless the money can be devoted to such purposes as will be likely to give reasonable returns for the outlay. I was rather pleased at one of the Northern members referring to the almost necessity of considering whether we are going to carry out some of the proposed railways in the North. I think that is a matter that will require the most serious consideration. Many of those railways will have to receive great consideration before the country is further pledged to a new loan of an uncertain amount. Reference has been made to the Cairns railway, and I do not think we need make any secret of the fact that the cost of its construction will be about £37,000 or £38,000 per mile. And that is not the least costly line. Some of those Northern lines will cost considerably more than that. The hon. member for Herbert referred to the tariff being so oppressive to the North, and I quite share his opinion that it has been felt more in the North than in the South. I believe that they are larger consumers of dutiable

goods in the North than in the South; but I can't not go further with the hon. member than that. I think that if the North gets all the railways they expect, the question of separation may be considered, not from a Northern standpoint altogether, but from a Southern standpoint also. We may consider whether it is advisable that the South shall build railways which will be of questionable benefit to the country at such a cost as £40,000 a mile, until such time as the population of that part of the colony has largely increased. I very much doubt whether there will be such a population there for some few years to come, that those lines will pay anything like interest on the outlay. The leader of the Opposition said he noticed that I omitted all reference in my statement to the Loan Expenditure; but that was distinctly done. When the Loan Estimates are submitted—

THE HON. SIR S. W. GRIFFITH: I said the actual expenditure during the current year, which is a different thing from the Loan Estimate.

THE COLONIAL TREASURER: I think the tables will furnish hon. members with that information. If there is any omission—and I have no doubt there are some omissions—I shall be obliged if hon. members will inform me, and I will do my best to make the tables complete. I have already given all the information I could in reference to the working of the new tariff, and I will cheerfully supply any omission that may have been made. The Loan Estimates will be submitted when the question of loans has to be considered, and that will be the proper time to submit them. There is one other matter to which I ought to refer, and that is the item of members' expenses. The leader of the Opposition pointed out that there is an omission of the amount payable under the Members' Expenses Act; and I may explain that that amount was originally set down in the Estimates, in addition to the £14,400 payable under the new Act; but by some mistake it was thought that the two items should not appear in the same estimate, and, without even the knowledge of the Under Secretary to the Treasury, one item was excised. I do not believe, however, that the error amounts to much more than £5,000.

THE HON. SIR S. W. GRIFFITH: The sum omitted amounts to £11,000.

THE COLONIAL TREASURER: I am informed by the Under Secretary to the Treasury that the amount is a little over £5,000, but, whatever it may be, it has been accidentally omitted, and does not appear on the Estimates, as pointed out by the leader of the Opposition. As I said before, there has been no hostile criticism of the Financial Statement such as to demand any lengthy defence at my hands. The Minister for Railways has defended his department, the Minister for Public Lands has defended his, and there is little left for me to defend. The leader of the Opposition has accused me of inexperience. We must all be inexperienced at the start, and I confess to my inexperience in the matter. I can tell the Committee that it is not a position I have thrust myself into; but during the time I have held office I have endeavoured to pay attention to the details of the department, and I think the country has not suffered. At all events, I have found that it is necessary that there should be a person at the head of the Treasury with some municipal knowledge, and I think I have saved the country some very considerable amounts of money by being there, if only in that direction. The hon. leader of the Opposition was inexperienced himself; but he was able at very short notice, with his great ability, to deliver to the Committee a very creditable statement. In fact it would take a man of

remarkable ability to deliver a statement of anything approaching a satisfactory nature, considering the state of affairs the hon. gentleman had to deal with. My task, as I have said, has not been a very severe one; but it has been one of plodding industry. I have endeavoured to give the Committee the fullest information possible. I am sure the Estimates have been framed upon realisable lines, and that at the end of the financial year, my colleagues and myself will find our expectations realised. The hon. leader of the Opposition made one other remark which I must shortly note, and that was that I should consult my colleagues. I think all Ministers should consult with each other; but in matters of detail I have acted independently. I have done so in preparing my Financial Statement, and I think I should be unworthy to hold office had I to go and pester my colleagues as to what I should say or do. I may tell the Committee I am quite equal to the work of my department, which some hon. members may think I am not. We know very well that some hon. members in this Assembly pose as great financial authorities, with a great amount of knowledge of figures; but I do not profess to be possessed of that great financial ability. Still I claim that I possess everything that is necessary to carry on the duties of my office, that is to say, ordinary common sense, combined with honesty of purpose. If a person exercises common sense, and possesses honesty of purpose, then, if he cannot carry on the functions of his office, there must be something seriously amiss. I thank the Committee for the patience which has been extended to me during the delivery of my statement, and during this my short reply. I would willingly speak at greater length supposing it were necessary to do so, but I scarcely think it is necessary, and I shall therefore conclude.

Question—That there be granted to Her Majesty for the service of the year 1889-90, a sum not exceeding £300 to defray the salary of the aide-de-camp to His Excellency the Governor—put and passed.

On the motion of the COLONIAL TREASURER, the House resumed; the CHAIRMAN reported progress, and the Committee obtained leave to sit again to-morrow.

ADJOURNMENT.

The PREMIER said: I beg to move that this House do now adjourn. After the private business has been disposed of to-morrow, we propose to consider the address I have given notice of in reference to Western Australia, and after that the Civil Service Bill in committee.

Question put and passed.

The House adjourned at fourteen minutes to 12 o'clock.