

Queensland



Parliamentary Debates
[Hansard]

Legislative Council

TUESDAY, 4 DECEMBER 1894

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LEGISLATIVE COUNCIL.

TUESDAY, 4 DECEMBER, 1894.

The House met at half-past 3 o'clock.

ABSENCE OF THE PRESIDENT.

The CLERK having informed the House that the President would not be in his place in consequence of his having been called upon to assume the duties of Deputy Governor during the absence of the Governor from the colony,

The POSTMASTER-GENERAL (Hon. A. J. Thynne) moved—That the Hon. F. T. Brentnall do take the chair from day to day during the continued absence of the President.

Question put and passed.

ASSENT TO BILLS.

APPROPRIATION BILL No. 3.—RECONSTRUCTED COMPANIES BILL.

The PRESIDING CHAIRMAN reported that he had received messages from the Governor, assenting to the above Bills.

ACTING CHAIRMAN OF COMMITTEES.

The POSTMASTER-GENERAL moved that the Hon. W. G. Power do act as Chairman of Committees during the continued absence of the President.

Question put and passed.

MUSGRAVE WHARF EXTENSION BILL.

THIRD READING.

The POSTMASTER-GENERAL: As I intimated last week, if any hon. gentleman desires to have this Bill, or the next one on the paper, recommitted for any purpose, I shall feel bound to propose that they be recommitted; but as I have not heard from any hon. gentleman that he desires their recommitment, I move that this Bill be now read a third time.

Question put and passed.

Bill passed, and ordered to be returned to the Assembly.

QUEENSLAND COAST SURVEY BILL.

THIRD READING.

This Bill was read a third time, passed, and ordered to be returned to the Assembly.

CIVIL SERVICE ACTS AMENDMENT BILL.

COMMITTEE.

The POSTMASTER-GENERAL moved that the following new clause be inserted after clause 1—namely, "This Act shall commence and take effect as on and from the 1st day of December, 1894." He had been requested to propose that clause, as it would prevent inconvenience which might otherwise ensue if the existing law were allowed to continue for a broken part of the current month.

The HON. C. H. BUZACOTT said that bearing in mind the present position of public affairs, the fact that the annual Appropriation Bill had been passed, and that it was almost an unprecedented thing for important Government measures to be dealt with after the Appropriation Bill had received the sanction of both Houses; also the fact that those measures if properly discussed would occupy considerable time, as some of them were very contentious; and the further circumstance that he had tabled some amendments, of which he gave timely intimation to Ministers,—he thought it was due to himself and the Committee that the Postmaster-General should state whether he was prepared to accept those amendments, or some of them, either with or without further amendments. He and some other members had wished to speak on the Bill on the occasion of the second reading, but they refrained from doing so out of consideration for the Postmaster-General, who had had a very hard day's work, and from a desire to accommodate the President, who was in ill-health and anxious to get home. At the same time, he thought the Committee should not be asked to pass a short Bill like that, which deliberately destroyed a measure passed some years ago, without putting something in its place. He did not make these remarks in any spirit of opposition to the Government, but because the proposal was not a proper one, and he hoped his remarks would be accepted in the spirit in which they were offered. There were several measures on the paper that would require considerable discussion. The Loan Balances Diversion Bill they were all agreed upon. On the Government Savings Bank Stock Bill he had circulated amendments, but had not heard whether the Government intended to accept or oppose them. On one point he would oppose that measure as long as he could stand on his feet, and that was the issuing of securities for a term of fifty years. To the New Swanbank Colliery Bill there was no objection, but the Railways Construction (Guarantee) Bill, the principle of which he approved, was one that certainly ought to be thoroughly considered, and there would be no harm in allowing it to stand over. The Meat and Dairy Produce Encouragement Bill was an extraordinary measure, but as it was to a certain extent a private measure dealing with private funds, and those concerned were apparently prepared to accept it, he would not say anything further on the subject. He did not suppose there would be much discussion on the Crown Lands Bill, the Pastoral Leases Extension Bill, or the Agricultural Lands Purchase Bill. Still he thought they should recognise the responsibility which rested upon every member to protect the public interest by preventing measures being rushed through, some of which were carried in the small hours of the morning under extraordinary pressure in the other Chamber. If they did the business before them thoroughly, and

discussed the measures as they were entitled to be discussed, that would occupy them for three or four days that week; and if the Postmaster-General would intimate his intentions with regard to business, it would help hon. members to deal with the various measures on the paper in a calm, deliberate, and effective way.

The POSTMASTER-GENERAL said the hon. gentleman had, in defiance of all rules of debate, travelled over the whole policy of the session, and had asked him to state whether the Government were prepared to accept his policy with regard to two Bills on which he had given notice of amendments. He did not question the hon. gentleman's long experience of public life, but he had yet to learn on what grounds the hon. gentleman had a right to dictate to the Government as to whether they should accept or reject his amendments, and tell the Committee that he should oppose a certain proposal as long as he could stand on his feet. That was not in accordance with the spirit with which hon. gentlemen usually approached business in that House. So far as the hon. member's amendments were concerned he would express his opinions on them when they came before the Committee, but could not undertake to do so now. At the same time he might say that there was no desire on the part of anyone in the Committee, certainly there was no such desire on his part, to hurry the debate on any measure. On the contrary, he hoped that every measure would be thoroughly discussed, but the hon. gentleman himself objected to no Bill except that before the Committee, the Railways Construction (Guarantee) Bill, and the Government Savings Bank Stock Bill, and the provisions with which he disagreed could be fully and calmly discussed when they came before the Committee. At any rate, he did not think that he was called upon to say more than he had done at that stage.

New clause put and passed.

On clause 2—"Repeal"—

The HON. C. H. BUZACOTT regretted that the Postmaster-General had not taken his remarks in the spirit in which they were intended, but would not further discuss the matter. He had an amendment to propose to clause 2. Many years ago two very great evils were almost unanimously complained of by members in the other House. One of those was the vote for roads and bridges, and the other was motions applying for grants in aid of the widows and families of deceased Civil servants. A great deal of the time of the House was occupied in discussing both those matters. The first difficulty was got rid of by a local government measure passed in 1879, and the second, which caused a great deal of log-rolling and waste of time in discussing motions which ought never to have been submitted to the House, was removed by the Civil Service Act of 1889. The superannuation clauses which the Bill sought to repeal formed a portion of that Act, and though he had never been strongly in favour of them, he had, as a journalist, given a qualified support to the scheme, recognising the evil existing and the necessity to minimise that evil. It was now proposed in that short Bill of practically one clause, to destroy all that work and put nothing in its place. That was legislative nihilism. They had no right to destroy elaborately built up statutes passed to remedy an undeniable evil unless they put something in the place of them. The policy of the Government on the question must have been decided upon nearly a year ago, certainly before the session commenced, and to have it thrust upon them in the last week of the session was not legislation worthy of their system of responsible government. He admitted that a very large majority of the Civil servants were opposed to the superannuation clauses, and they were

expecting to receive an average amount of £44, as there was upwards of £90,000 to be divided. No doubt that would be a very nice Christmas box for the men who were anxious to receive it, and he did not blame them; but what he said was that the Act was passed five years ago, and the opposition to it by the service was as strong at the time it was passed as to-day, and there had been no quinquennial examination as provided by the Act to show whether the fund was solvent or not. He did not wish to force his amendments on the Committee, but submitted them for their consideration. They would provide for Civil servants coming in hereafter, while those at present in the service could come under the scheme proposed or not as they chose. If the Committee accepted the amendments he thought they would form a valuable addition to the Bill, and would relieve it from the reproach now attaching to it of being a Bill of destruction, and not a Bill of preservation or creation. It had been suggested that a clause might be inserted to postpone the operation of the Bill for another year. There were only nine men in the service who could retire during the next year under the Act, and the fund would practically be left in the same position as it was now. He was not going to say that he was going to vote for that proposal. He could not disregard the expression of opinion by the great majority of the Civil servants, nor the fact that they had the support of the Government in their desire for the repeal of the superannuation clauses. But still he thought that it was a fair thing to do, as it would delay the destruction of the existing system until they were ready to substitute some other for it, or discover whether the fund was solvent or not. He hoped there would be some discussion upon it, and to show that he had no desire to obstruct or detain the House unduly he was prepared to accept the decision upon the amendment he was going to propose, as the decision of the House upon the whole of the amendments of which he had given notice. He hoped the objection would not be raised that hon. members had not had sufficient time to consider the amendments, and if it was he hoped the Postmaster-General would postpone the further consideration of the Bill until to-morrow and take up non-contentious business in the meantime. He felt justified by every consideration for the public welfare to provide some other means of insurance of the lives of Civil servants to prevent the recurrence of the gigantic evil of the past, when, by buttonholing and log-rolling, the claims of widows and orphans of deceased Civil servants were urged upon members of the Assembly. He felt the extreme importance of some scheme for the insurance of Civil servants, and thought the clauses he had prepared to deal with the subject were worthy of consideration. He moved the insertion of the headline "Superannuation Account" before clause 2.

The POSTMASTER-GENERAL said that in his experience the insertion of a headline in a Bill was a matter left to the Chairman, and the hon. gentleman had adopted an unusual course in moving it formally. As to rushing legislation, the Bill had been in their hands since the 21st November, and there was no desire to rush anything through the House. The hon. gentleman had apparently not offered an objection against the adoption of clause 2.

The HON. C. H. BUZACOTT: I am not opposed to it at all, if other provision is made.

The POSTMASTER-GENERAL said the hon. member might have that proviso in his mind, but they had to deal with the business before them. Whatever the hon. gentleman's intention was, his strongest argument appeared to be an objection to the gigantic evil of numerous

applications to members of the Assembly on behalf of widows and orphans of deceased Civil servants. Did the hon. gentleman suppose that members of the Assembly had not considered the probability of applications of that kind being made to them? It was a matter entirely for them to consider. The hon. gentleman admitted that the superannuation clause had been passed in violation of the wishes of the Civil servants, and their opposition to those clauses had been consistent from that day to the present. That opposition had been overruled by the Assembly at the time the clauses were passed, and hon. members of the Assembly had apparently been convinced that they had been the cause of injustice or wrong, or that there was some good reason why Civil servants should not be obliged in the future to contribute to the protection of their own interests in a manner prescribed for them by Parliament and not the manner which, individually, they themselves thought best. Last year the Assembly carried a resolution in favour of the repeal of the clauses, and the Government early in the session had promised to introduce that measure. The Bill was before them with the sanction of the Civil servants and with the sanction of the Assembly after consideration in two sessions, and the hon. gentleman would now propose to throw back that legislation to some future period. The hon. gentleman suggested that they should go on as they were until next year, and in the meantime the quinquennial examination of the fund might be held, and the Civil servants could then draw their average of £40 or whatever it might be.

The Hon. C. H. BUZACOTT: The hon. gentleman is misrepresenting me. I said that was a fair proposal; but I also said I would not say that I would recommend it.

The POSTMASTER-GENERAL had no desire to misrepresent the hon. gentleman, but the hon. gentleman appeared to commend that proposal, and it would involve that the whole fund would be thrown out of gear in the meantime. He trusted the House would pass the clause as it stood, and when they came to the hon. gentleman's proposals they could deal with them in a formal way.

The Hon. A. C. GREGORY said the whole policy of the Bill was contained in the clause before them, and it was a suitable time to express their opinions upon it, as if that clause was passed the rest of the Bill would pass as consequential. Having been a Civil servant, he considered the Civil servants very foolish indeed in asking for the repeal of the superannuation clauses, and were he in a position to exercise an arbitrary control he would compel them to continue under those clauses. But they had taken a species of plebiscite on the question, and there were about 1,000 in favour of the repeal, and anxious for it, and some 70 who objected to the repeal. That had not been a sudden decision, as the agitation had been going on for the last two years at least. Under the circumstances he felt there would be very little use in forcing them to go on with a system of contribution under the present Act, because it would be so distasteful to them that the greater part of the benefit of the scheme would be lost. He did not say the present scheme was quite perfect, but it was sufficiently so to have gone on with it and effect such amendments from time to time as would be necessary. A great deal had been said about actuarial conditions, but in dealing with a Civil Service the conditions of actuarial calculations upon an ordinary system of assurance did not apply. Altogether it was better at present to concede to the Civil servants what they asked, and that would not render it impossible to pass a Superannuation Act in the future. He failed to see that there would be any real good in throwing the Bill out; and as to the

amendments, they formed in effect a new Bill, and involved consideration for which they had not time that session. On the whole, his view was that it would be far better to pass the Bill as before them and nothing more.

The Hon. C. H. BUZACOTT explained that he agreed with the Postmaster-General that he had scarcely been in order in proposing the insertion of the headline; and he asked permission to withdraw his motion, deferring what he had to say upon his amendments until the clauses he proposed came on.

The Hon. F. T. BRENTNALL said it seemed to him hopeless to advocate any delay in passing the Bill; but there were two very important facts to be taken into consideration. There was the majority of the people interested, who wished the repeal of the portion of the Act to which the Bill referred, and the large majority by which the Bill had been carried in another place. Undoubtedly there were other interests besides those of the large majority of Civil servants who had voted for the repeal of the superannuation clauses of the principal Act. There was at least a section whose interests ought not to be ignored. He did not know the exact number, but he heard that there were some 170 or 180 who had qualified themselves under section 49 for benefits that would ultimately have accrued to them had the superannuation clauses been continued in operation. That clause enabled the older Civil servants to pay up for a term of ten years their contributions, and secure for themselves a retiring allowance. A considerable number of Civil servants had availed themselves of the provisions of the statute, entering into what they considered were fair, honest, and righteous bargains on their part and on the part of the Government; and now by the repeal of the superannuation scheme, instead of getting the retiring allowances they had contracted for, and paid for, they would get a return of their contributions with 4 per cent. interest. Some of them had borrowed money at twice 4 per cent., and perhaps more than that; some had borrowed on their life insurance policies, others by way of mortgage on their properties, and others had borrowed from their friends in order to bring themselves within the limit of five years laid down in the 49th section of the principal Act. They believed that by so doing they would secure to themselves in a few years—two, five, or ten years, or whatever the period might be—when they became incapable of further service, a reasonable retiring allowance. But if that clause were passed that arrangement would terminate, and those people would be out of pocket through having put their faith in the validity and integrity of a statute of the colony. He was not contending that the majority should be sacrificed for the minority, but simply that the minority should not be placed in an unfair position. If there was nothing more, there ought to have been a provision for making full compensation for any sacrifices which these persons had made to place themselves within the range of the statute. He believed that the majority of the Civil servants who were now asking for the repeal of the superannuation clauses would sooner or later regret the action they had taken. One democratic characteristic and tendency of the present age was to make some provision in some form or another, if not voluntarily, then compulsorily, for old age pensions. That was a plank in the labour, socialistic, and democratic platforms of the age; and the age at which those pensions should be paid was mostly fixed at sixty, though he believed that some men were probably more fit for work at sixty than they were at forty or fifty, because of the experience they had acquired during their lives. It was argued by some people that Civil servants should, by thrift and provident use of their means, take care of themselves, but that was an argument which might

be used with regard to many other people besides Civil servants with equal appropriateness and equal inutility. A Civil servant had to maintain his family in a state of respectability commensurate with the position he held in life, and mostly it took all his money to maintain, clothe, and educate his family. Another argument was that a Civil servant should make provision for his family by a life insurance policy. That was a splendid argument for insurance canvassers; but what advantage was it to a man who had retired from the service to have a policy payable to his family at his decease? The only way in which he could make provision for the time when he should become physically incapable of further work was by providing himself with some annuity for the remainder of his life. There was a very ugly look about the treatment which was accorded to those persons who had qualified themselves for the advantages which they thought they were providing for themselves under the existing law, and he thought they were entitled to more consideration. Of course he was not going to oppose the measure, but at the same time he felt it incumbent upon him to put that aspect of the matter before the Committee.

The Hon. A. C. GREGORY thought their best policy would be to follow the course adopted in the case of the Civil Service Act of 1863, and frame an amendment which would allow those who wished to withdraw from and the others to remain under the superannuation provisions.

The Hon. W. D. BOX felt, after listening to the Hon. Mr. Brentnall, that a serious injury would be done to those Civil servants who had made a contract with the Government under the 49th section of the Act, and had borrowed money to enable them to secure an annuity on retirement. He could hardly understand how the Government or Parliament could break such a bargain, and would like to have some explanation of the matter from the Postmaster-General.

The POSTMASTER-GENERAL pointed out that there was a radical difference between the present system of superannuation and that provided for in the Act of 1863. Under the Act of 1863 the consolidated revenue was responsible for the payment of whatever benefits Civil servants were entitled to, and only 2 per cent. was deducted from their salaries, and that was not half sufficient to provide the pensions to be paid under the Act. The present scheme, which was now being repealed, was that the fund should be provided by voluntary contributions from Civil servants at the rate of 4 per cent. on their salaries, and the fund was administered by the Civil Service Board, who had the assistance of the Civil Service Investment Board, and no responsibility for the solvency of the fund was placed on the consolidated revenue. The Civil Service Association had submitted the question of the repeal of the superannuation provisions to Civil servants, with the result that 1,474 had voted for the complete repeal of the scheme, and 168 against it, so that if the Committee should adopt the amendment which had been suggested by the Hon. Mr. Gregory it was probable that the general body of Civil servants would withdraw from the fund, with the result that the fund would immediately get into confusion, and those who remained under the scheme would, in the long run, very likely be in a worse position than they would under that Bill. He understood that the number who had complied with the 49th section was 140, and if there were any cases of individual hardship among those, he had no doubt that they would receive consideration in due course, possibly in the position they would occupy, or in the emoluments they would receive. But view the matter as they might, they would find that there were

difficulties to deal with, and he thought the way in which the Government proposed to deal with the subject was one which involved the least difficulty and best met the wishes of the Civil Service and the generally expressed wishes of members of the other House.

The Hon. W. D. BOX was obliged to the Postmaster-General for the explanation he had given, as he now saw that the contract made by the Civil servants was not with the Government, but with a fund which consisted of their own contributions.

The Hon. A. C. GREGORY did not see that there would be any difficulty in carrying out his suggestion, as all that was necessary was to divide the fund, allow those who withdrew to take the amounts to which they were entitled, and carry the balance forward for the benefit of those who remained, which was exactly what was done under the old Civil Service Act. He would suggest that the matter should be adjourned till to-morrow, so that they might have time to draft the necessary amendment, and give the matter full consideration.

The POSTMASTER-GENERAL said if it were a question of dividing so many sovereigns it would be a very easy matter, but hon. gentlemen must remember that a considerable part of the fund was invested in mortgages and other securities in and around the city, which could not at once be realised to advantage, and if those who withdrew were paid their contributions, those who remained would probably suffer more injury from the anxiety they would have with regard to the future of the fund than they would from the passing of that Bill.

The Hon. A. C. GREGORY pointed out that by the 4th clause it was proposed that the Government should take over the securities, so that there need be no anxiety on that score.

The POSTMASTER-GENERAL believed that the scheme suggested would be absolutely unworkable, but in order to allow hon. gentlemen time for further consideration, he moved that the Chairman leave the chair, report progress, and ask leave to sit again.

The Hon. C. H. BUZACOTT had had under consideration the proposal made by the Hon. Mr. Gregory, but had been unable to see how it could be worked, because the Act of 1863 placed the responsibility of the fund on the consolidated revenue, but the Act of 1889 did not, and he believed that the senior Civil servants would not accept that solution of the difficulty. However, as the matter was one of extreme importance, he was glad that it was proposed to adjourn its consideration.

The Hon. J. COWLISHAW said the Committee would understand the matter much better if the Postmaster-General would let them know what amount would be required to meet all the claims of the Civil servants. He was told that the amount required was £130,000; and if that was correct he thought that in the interest of the taxpayers the sooner the superannuation provisions were repealed the better. The value put upon the securities was somewhere about £90,000, and he was sure that if they were realised at the present time they would not fetch £60,000, so that a considerable sum would have to be made up out of the consolidated revenue.

The POSTMASTER-GENERAL said the total liabilities as given by the Colonial Secretary, who was the Minister in charge of the matter, amounted to £89,804, and the total assets, after careful examination, were set down at £94,076.

The Hon. J. COWLISHAW said the hon. gentleman did not tell them that the £90,000 was the face value of the assets. A large amount of it was put into the Queensland National Bank on deposit, and it would realise now only 15s. in the £1. Then what would the securities upon

which money had been lent realise? Thousands of pounds had been lent upon securities that would not now bring in as many hundreds.

The POSTMASTER-GENERAL said he understood that the amount set down for the assets was the estimated value of the total assets at the present time.

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

LOAN BALANCES DIVERSION BILL.

COMMITTEE.

Preamble postponed.

Clause 1—"Unexpended balances of loans"—put and passed.

On clause 2—"Interpretation"—

The HON. F. CLEWETT said an expression of opinion on the question of boundaries had been given in the Assembly, and he would like to have it on record in the Council also that the boundaries set forth in the clause would not be made a precedent in dealing with any other matters that might be introduced affecting the divisions of the colony.

The POSTMASTER-GENERAL said the interpretation given there was intended to be restricted to the operation of that Bill alone.

Clause put and passed.

Clause 3—"Short title"—the schedule, and preamble passed as printed.

On the motion of the POSTMASTER-GENERAL, the House resumed; the ACTING CHAIRMAN reported the Bill without amendment, and the third reading was made an order for to-morrow.

GOVERNMENT SAVINGS BANK STOCK BILL.

COMMITTEE.

Preamble postponed.

On clause 1—"Short title"—

The HON. C. H. BUZACOTT asked the Postmaster-General whether consideration had been given to the amendments he had given notice of, and whether the Government intended to accept them, or suggest any other amendment which would meet the views to which they would give effect? He had been somewhat at a disadvantage that afternoon from the fact that there was no leader of the Opposition in the House, and no one to deal with the Postmaster-General in the arrangement of business. When he had the honour of conducting the business of that Chamber he had been accustomed to communicate with the leader of the Opposition upon the order of business, and a similar course if adopted now would facilitate business. It might not be in accordance with strict rules, but it was not, he thought, out of harmony with the practice of Parliament for a member to ask, upon the motion for the adoption of the 1st clause of a Bill, what the intentions of the Government were with respect to amendments offered upon it.

The POSTMASTER-GENERAL said if the hon. gentleman would have the patience to wait until he had proposed his amendments they would then be dealt with. As regarded the conduct of the business of the House, that was the first occasion upon which he had heard any complaint, and he assumed that if there had been any grounds for complaint in the matter hon. members would have suggested a remedy, even if the gentleman in charge of the business had not been willing to do so. The hon. gentleman proposed two amendments, altogether different in character, and it was unreasonable to ask that they should be discussed at that stage.

The HON. C. H. BUZACOTT did not wish the hon. gentleman to discuss them at that stage; but in his twenty-one years of parliamentary

experience he had always found that a member proposing an amendment asked the Government beforehand whether it would be accepted, and it would promote the transaction of business if that information was vouchsafed. As the Postmaster-General refused to do so, he must accept the hon. gentleman's dictum.

The HON. R. BULCOCK thought the Hon. Mr. Buzacott was asking too much. The hon. gentleman could bring in his amendments and get the opinion of the Postmaster-General upon them; but if every member of the Committee brought in amendments and asked the Postmaster-General, before the Bill was proceeded with, whether he would accept them, it would lead to great confusion.

Clause put and passed.

Clauses 2 to 5, inclusive, put and passed.

On clause 6—"Price of stock debited to depositor and transferred to Treasurer"—

The HON. F. CLEWETT noticed a reference in the clause to the "current price" of stock, and it would seem from the previous clause that upon the application of a depositor stock should be issued to him for the amount of money he wished to put into it. If he applied to have £100 standing to his credit in the savings bank invested in savings bank stock in ten debentures at £10 each, would he get that stock at par or should he have to submit to some competition to discover the current price of the stock, which did not appear to be set forth in the Bill?

The POSTMASTER-GENERAL said naturally enough, at the commencement of the operation of the Bill, the stock would be issued at par; but, as time went on, it might be saleable at a premium. In order to see that justice would be done to the colony at the time the stock was issued to the applicant, the Government would have power by regulations to provide the manner in which the real value of the stock should be ascertained when there was a variation from par. It might be thought that the rate of interest offered by the Government would be too low, and if that were so the price would be low. Where the rate was higher than the rate current in the colony they could expect a premium. Under the clause it was left to the Governor in Council to make regulations similar to those in force with regard to savings bank stock in England.

The HON. F. CLEWETT said the Postmaster-General had given a very clear explanation in answer to the question; but he suggested, in the matter of the regulations, that any alteration which the Treasurer might from time to time consider it desirable to make in the price of stock should be published, in order that holders of stock living at a considerable distance from the metropolis might be made aware of the proposed alteration in the value of savings bank stock.

The HON. J. COWLISHAW understood that the intention of the Bill was not to afford a means of raising a loan in an indirect way, but to give relief to persons who wished to put their money into the savings bank. He took it that the savings bank would have to find £100 for every £100 debenture they issued; and if they issued them at £98 or £99, how was the difference to be made up? If it was to be made up out of the consolidated revenue, it would simply be a way of raising another loan. He could understand a proposal to issue such stock at par, and give 3½ per cent.; but to say that if the current price of the stock was declared to be £84 or £90, and that £100 with 3½ per cent. should be payable for that, was a thing which he did not think would be contemplated. They could not help people talking, and he had heard it stated that the Government had made arrangements with one person to lodge £200,000 in the savings bank, and he was to get debentures at £99 for that,

to say nothing of the cost, which would run to about another £1. Who was to pay the difference? If the operation of the Bill was confined to diverting money from the savings bank to pay off Treasury bills and other stock bearing 5 and 6 per cent. interest, it would be right enough.

The HON. W. D. BOX hoped the clause would not be passed without a proviso limiting the Treasurer to the issue of stock under the Bill at par. Under the Bill the Treasurer would have power to issue stock to the extent of £200,000 or even £1,000,000 at any price permitted by the regulations. He trusted the Committee would insist upon debentures being issued at not less than par, and that power would not be given to the Treasurer to go upon the market for a million of money, or any portion of a million, without coming to Parliament for a vote.

The HON. C. H. BUZACOTT had pointed out, on the second reading of the Bill, that under it an impecunious Treasurer could issue stock at any price he chose. The interests of the colony were safe in the hands of the present Treasurer; but they might have a Treasurer with a liking for enterprising transactions. He admitted that the money obtained under the Bill could only be applied in extinguishing debts; but it could also be applied to extinguishing debts that might accrue hereafter. Suppose there was a deficiency of £300,000 on the current year's transactions, the Treasurer could issue Treasury bills for the amount first, and he could then take them up in Government Savings Bank stock. That was the danger, and £500,000 would be a fair sum for such an experiment, though he was afraid that the reduction would not be accepted. To put a limit upon the price of the stock was impracticable. They could not have an automatic Act for purposes of that sort, and that was the real danger of leaving schemes of that kind in the hands of politicians. They must allow them the exercise of judgment and discretion. It was a hazardous experiment if a man could put £1,000,000 into the savings bank to-day and buy stock with it to-morrow. The amount of stock which could be issued to any one person under the English Act was limited. The object of the Bill was to enable savings bank depositors to transfer their money, which was now at call and a source of danger to the Government, into stock for a long term, which would make the Government perfectly secure. He was certain that the other House would not accept any amendment limiting the price at which stock might be issued, as it would be impracticable.

The HON. A. C. GREGORY did not think there would be any more difficulty in dealing with that stock than there was in dealing with Treasury bills, which were sold at par or at a discount, according to circumstances.

The POSTMASTER-GENERAL said that savings bank officers throughout the colony would have the regulations and all information in connection with the operation of the measure supplied to them in the ordinary course, so that no one in remote parts of the colony who had invested in that stock would have any difficulty in getting any information he might require. With regard to the suggestion that there should be a limit placed to the amount which any one depositor could obtain, that would be unworkable and would very materially affect the success of the measure. If a person could only hold a certain amount of stock, that would necessarily limit the number of buyers in case anyone wanted to sell, and the result would be a considerable depreciation in the value of the stock. With regard to the proposal that no stock should be sold below par, he would remind hon. members that clause 4 fixed the maximum rate of interest at $3\frac{1}{2}$ per

cent., and that if interest came down, as many people believed it would, the rate would be less than $3\frac{1}{2}$ per cent. It would be a very satisfactory thing for the colony if they could issue stock at 3 or $3\frac{1}{2}$ per cent. to the amount of £750,000 and withdraw the debentures which would come due within the next eighteen months, instead of issuing debentures in London at a discount of from 3 to perhaps 7 per cent. If they did that and established a market here which would not be subject to the fluctuations that affected other markets elsewhere, it would be a great advantage to the colony, because if people outside saw that they were able to get money at a low rate of interest here that would affect the price of stock in London.

The HON. F. CLEWETT said it had been urged that it was undesirable to allow the Treasurer to issue stock to the amount of £1,000,000, but, as a person must be a depositor in the savings bank before he could become the holder of stock, he did not think there was much danger of that amount of stock being issued.

The HON. C. H. BUZACOTT said there was an apprehension that the money required to purchase that stock would be withdrawn from business and other investments here, but he did not think that that would be done to any very large extent, as it was quite certain that when once stock of that kind was established here they would have English money coming into the colony for investment.

The HON. W. D. BOX said the Bill placed in the hands of some future Treasurer the power to issue £1,000,000 worth of stock, or the unissued portion of £1,000,000, without the authority of Parliament; and he trusted that the Committee would consent to an amendment fixing the minimum price of the stock at par. He moved that the clause be amended by adding at the end of the first subsection the words, "Provided that no stock shall be issued under the provisions of this Act at less than par value."

The POSTMASTER-GENERAL said the amendment was one that he could not accept; but, in order that the matter might be fully considered by hon. gentlemen, he moved that the Acting Chairman leave the chair, report progress, and ask leave to sit again.

Question put and passed; the House resumed, and the Committee obtained leave to sit again to-morrow.

NEW SWANBANK COLLIERY RAILWAY BILL.

SECOND READING.

The HON. A. C. GREGORY: This Bill is almost a transcript of the Bill passed two years ago authorising the Swanbank Colliery Company to construct a railway to the Swanbank coal-mines. That Bill terminated in eighteen months, which was the time allowed for the construction of the line, but the railway was not constructed through some failure on the part of the company to bring its business to a proper conclusion. It is now necessary for them, as a reconstructed company, to obtain a new Bill to deal with the construction of the same railway. The various parties interested have given their consent to the Bill, which has been revised by a select committee of the Legislative Assembly, who have made some small amendments in it, which are decided improvements. The proposal is to construct a line from the branch railway that goes from Bundanba as far as Thomas' mines to the coal-mines at Swanbank. I have seen those mines, and I know it is a *bona fide* affair, and that there is every prospect of the mines being able to turn out good marketable coal. Without railways or tramways coal-mines cannot be worked profitably, considering the competition outside; and it is very important that we should do all we can

to encourage local industry. In this case no funds are required from the public, and the Bill simply enables the company to build a line through private lands which they could not do without legislation. As the whole question was thoroughly thrashed out two years ago, I do not think it is necessary for me to add anything to what I have already said, and will therefore content myself with moving that the Bill be now read a second time.

Question put and passed.

COMMITTEE.

The several clauses, the schedule, and preamble of the Bill were passed without amendment or discussion.

The House resumed; and the CHAIRMAN reported the Bill without amendment.

THIRD READING.

The Bill was read a third time, passed, and ordered to be returned to the Assembly.

ADJOURNMENT.

The POSTMASTER-GENERAL: I move that the House do now adjourn. In doing so I believe that I am consulting the convenience of hon. gentlemen, and giving them an opportunity for further considering the business before the House. I hope that to-morrow we shall be able to enter on the debates without the feeling that we have been in any way rushed in the consideration of measures submitted to the House.

The HON. C. H. BUZACOTT: With such urgent business before us, and the time so short in which to do it, the Council ought to be able to sit for more than two and a-half hours in the afternoon. There are several measures which will require a good deal of discussion, and there is a Bill to come up from the other House dealing with railways, and unless it is greatly altered I will have to ask the House to hear me for an hour on that Bill.

The HON. J. D. MACANSH: I agree with the hon. gentleman, and considering the time taken up by the discussions we have had this afternoon I do not see how we can get through with the business unless we do sit after tea.

The HON. A. H. WILSON: I agree with the Hon. Mr. Buzacott, and think it is perfectly ridiculous that we should not sit after tea when we have so much business on the paper. We might clear the paper of non-contentious business and have abundance of time for discussion of other matters. I hope the Postmaster-General will withdraw the motion and let us sit after tea.

The HON. F. CLEWETT: I endorse all that has been said about the adjournment. There is a lot of business on the paper which we could dispose of in an hour or two, and it is desirable that we should dispose of the business as expeditiously as possible consistent with necessary consideration, so that hon. members may get away to their homes and their business.

The POSTMASTER-GENERAL: I have had a good deal of experience in matters of this sort, and I find it saves time considerably after a question is raised and discussed to adjourn its consideration for another day, when hon. members come with their minds made up upon it, and it is dealt with with very little further discussion. I have consulted the convenience of a considerable number of members in proposing to adjourn now, and I cannot, under the circumstances, comply with the request now made to sit after tea. It is my turn now to ask hon. members not to rush the business through; and if hon. members who dislike rushing business as much as I do will in the meantime consider the Bills we have been discussing, their merits will be found so apparent that very little need be said upon them to-morrow.

The HON. W. G. POWER: The non-contentious business on the paper will not take many minutes, and I do not see that anything is to be gained by sitting after tea, when we will be able to study the contentious business between this and to-morrow.

Question put and passed.

The House adjourned at twelve minutes past 6 o'clock.