

Queensland



Parliamentary Debates
[Hansard]

Legislative Assembly

THURSDAY, 12 NOVEMBER 1896

Electronic reproduction of original hardcopy

LEGISLATIVE ASSEMBLY.

THURSDAY, 12 NOVEMBER, 1896.

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

QUESTIONS.

DEEP-SINKING AND PROSPECTING VOTES.

Mr. BROWNE asked the Secretary for Mines—

1. What is the amount spent out of the vote for assisting deep-sinking in mines during the year 1895-6?
2. Who were the parties assisted, and the amounts granted in each case?
3. How much was spent out of the prospecting vote during year 1895-6?
4. Who were the parties assisted, and in what districts was such prospecting done?

The SECRETARY FOR MINES replied—

1. £1,918 17s. 5d.
2. Sheet marked 1 attached.
3. £1,013 10s. 11d.
4. Sheet marked 2 attached.

FORFEITED PEARL-SHELL.

Mr. TURLEY asked the Chief Secretary—

1. Was a quantity of pearl-shell, found in the possession of James Clarke and Co. during the year 1895, forfeited by the Government?
2. If so, what was the amount of the shell so forfeited?
3. What action, if any, does the Government propose to take for the disposal of the forfeited shell?

The PREMIER replied—

1. Yes.
2. 8,379 small shell; 2,033 full-sized shell.
3. The Government have not decided as to the disposal of the shell.

SUSPENSION OF STANDING ORDERS.

The TREASURER, in moving—

That so much of the Standing Orders be suspended, for this day, as will admit of the passing of a Bill of an urgent nature through all its stages in one day; and that Government business take precedence of all other business for this day—

said: With regard to the latter part of the motion I may mention that I have arranged that private members' business shall be put at the head of the paper on Tuesday next up to 6 o'clock, instead of to-day. The business will appear on the paper in exactly the same order as to-day.

Mr. GLASSEY: I think the Premier should have given some preliminary reasons for the extraordinary course he is now taking in asking for the suspension of the Standing Orders to introduce legislation. I do not rise for the purpose of thwarting the hon. gentleman in any way with regard to the legislation he is about to present, but the course he is now taking is unprecedented, and before the motion is passed the least the House can expect is that some reason shall be given for the course proposed to be taken. I may say at once that hon. members on this side are just as anxious to assist the Government in passing legislation of a temporary character to promote the well-being and happiness of the people as hon. members on the other side, but it is not asking too much that some reasons shall be given for passing this motion. Doubtless the Premier may have a report presented to him by the commission that has been sitting for some time to inquire into the affairs of a very important institution in this colony.

The SPEAKER: The hon. member can hardly touch upon that question upon the consideration of a motion for the suspension of the Standing Orders.

Mr. GLASSEY: I believed I was trenching to some extent upon the rules, but I thought I might have been permitted to drop a hint which the Premier might have taken up, and stated whether that report was forthcoming or not. I shall vote against this motion, not with a view of thwarting or delaying any legislation which may be taken afterwards, but because to agree to the suspension of the Standing Orders without any reasons for the course adopted being given would be to establish a dangerous precedent. I hope the House will be given some information that will guide hon. members in coming to a conclusion as to whether it is desirable to suspend the Standing Orders or not. I say I am prepared to take into consideration the measure which will likely follow this motion, and possibly I may view with favour the desirability of taking some action on the lines I have mentioned, that is that legislation may be necessary as foreshadowed by the Premier. But I shall have to oppose this motion.

The TREASURER: The hon. member speaks as if he did not know what was the object I had in view in moving this motion. As a matter of fact every member of this House is aware what that object is.

Mr. McDONALD: Why should we consult in private on a public matter?

The TREASURER: And from the very fact that the Speaker has had to call the hon. member for Bundaberg to order hon. members will see that it would have been entirely out of place for me to have gone into a discussion of the matter to come before the House on this motion.

Mr. McDONALD: No.

The TREASURER: Surely the Speaker ought to know better than the hon. member for Flinders?

Mr. McDONALD: You have a right to give reasons why you want to take such an extraordinary course.

The TREASURER: There is not a member of this House who does not know what those reasons are, and it was because the hon. member for Bundaberg knew the reasons so well that he transgressed the rules of the House. This is not the stage to discuss the propriety of the proposed legislation. We have merely to consider the

question as to whether, in the opinion of hon. members, knowing what the object is, it is desirable to suspend the Standing Orders to consider legislation of an urgent nature. The hon. member for Bundaberg also takes the stand that we are creating a new precedent by this motion. That is not the case; there are plenty of instances where this has been done.

Mr. GLASSEY: It is a dangerous precedent, and one that it is not wise to pursue.

The TREASURER: The precedent has already been created in our parliamentary procedure. All I can say in reply to the hon. member is that if the House will let us get to business, the fullest information on the subject will be laid before the House. I can tell the House that, to my pleasure and delight, I have more information to lay before them to-day than I was able to lay before them yesterday. They will have the fullest information as soon as we can get to business.

Mr. DAWSON: I entirely agree with the objections raised by the hon. member for Bundaberg that we should have had in the first instance, and most decidedly in the second speech of the Premier, full, clear, and explicit reasons as to why he takes this extraordinary and extreme step. As a simple matter of practice we are in the dark. The practice is that members should have a Bill in their hands for a certain time in order that they may thoroughly understand it before they are called upon to give a verdict. But the Premier comes along with a motion asking us to do away with all the rules and safeguards of Parliament, and all the privileges and protection the general public have against a strong Government, and he does not give the House any explanation for taking such a course. He practically says, if you commit yourselves and give me the power I ask for I will explain. Before we give the hon. gentleman that power he should explain the reason why he wants it.

The TREASURER: You know the reasons well enough.

Mr. DAWSON: I do not know them. The hon. gentleman said a while ago that there was not a member of the House who did not know exactly what he wanted. I say I do not, and the hon. gentleman has not given me any information about it. Why does he not take the House into his confidence?

The TREASURER: That is a very poor compliment to your leader, who is in my confidence.

Mr. DAWSON: It is a very poor compliment to the hon. gentleman at the head of the Government. He asks the House to trust him with extraordinary power, but he does not trust the House. It is a very serious matter to give the Premier a power of that description, and I for one entirely object to it. In what position will we be placed if this motion is passed? If the hon. gentleman succeeds in getting the Standing Orders suspended, the Bill will be brought in, read a first time, printed, immediately circulated, and its second reading will come on the top of hon. members about five minutes afterwards. Are hon. members in a position to give an intelligent, reasonable, or satisfactory opinion upon a measure introduced in that manner? I am quite certain that I am not competent to give anything like a fair and ordinarily intelligent opinion upon a Bill that is only given to me five minutes before. Perhaps the Premier, and the great majority of members sitting behind him, may have a kind of intuition that will enable them to do that sort of thing, but I am not one of those members.

The TREASURER: Your leader has had a copy of the Bill.

Mr. DAWSON: I have not had a copy of the Bill.

The TREASURER: Why don't you apply to your leader.

Mr. DAWSON: If the hon. gentleman had the Bill ready yesterday why could he not have sent round confidential copies to all members? What is one copy among a party of twenty members? The thing is utterly absurd. You get the Bill, read it, and then pass it on to the next. There is not one man in twenty who understands the full gravity of a Bill after he reads it the first time the same as he would a newspaper article.

The TREASURER: How is Parliament to be carried on if there is no leader on the other side?

Mr. DAWSON: It will not be carried on properly if the Standing Orders are to be suspended every time an important motion is coming on.

The HOME SECRETARY: It is only once in a generation that it is necessary.

Mr. DAWSON: That is once too often.

Mr. McMASTER: Have not you seen the Bill?

The SPEAKER: Order, order!

Mr. DAWSON: Yes; I saw the Bill; but I did not see it long enough to understand it; I could not tell the principle contained in one single clause. I think the great majority of members, like myself, want time to study the Bill to grasp its leading principles, and what its consequences will be if it is passed. Not only that, but I think we should have had some information from the Premier to show that the Bill is a matter of urgent public importance. If I were asked by any person for one tittle of evidence as to the matter being of urgent public importance I would be utterly unable to supply them with that information.

An HONOURABLE MEMBER: It is in the Press.

Mr. DAWSON: The Premier has distinctly told us that we are not to take any statement in the Press referring to the Government as gospel truth. And in dealing with a matter of this kind our information should come from the fountain-head and not be filtered through the Press.

The TREASURER: The House need not pass the Bill if it is not urgent.

Mr. DAWSON: Parliamentary experience has taught the wisdom of having certain stages in the consideration of public measures in order that panic or hasty legislation should not get on the statute-book; but here an important measure comes along and we are asked to wipe away all the safeguards that have been established by experience. The more important a measure the more deliberation is necessary. If there was some little matter that hardly concerned anybody it might be run through in one day, but here we have a measure of extreme urgency and great public importance that may be far-reaching in its effects, and we are asked to let it be rushed through in as few moments as possible. It is a very bad principle to adopt. If any member of the Government can show us how this matter is one of profound public importance it is his duty to do so before we are called upon to grant these powers, because up to the present we do not know anything about it. I have no doubt that the members on the Government side are perfectly willing to pass the motion merely because the Premier asks them.

The SPEAKER: Order! The hon. member is now reflecting on hon. members. He must confine himself strictly to the question before the House.

Mr. DAWSON: I was merely expressing an opinion that I hold. At any rate, I, as one member of this House, am not prepared to give the Premier these extraordinary powers merely because he asks for them. I want, before I consent to give that power to any man, some reason that will induce me to do so, but up to the present I have

received none. I am sorry if the majority of members do not agree with that. If they do not, I suppose the Premier will carry his motion; but I intend to vote against it.

Mr. MACDONALD - PATERSON: The Premier has courteously intimated that he has additional information, and that on receiving the authority for which he has asked this afternoon he will give us the fullest information in his power. I sincerely regret that there should be anything to distort the circumstances, which are extremely serious, and which, as the Premier has intimated, every member should know. A member should read between the lines. If he has not the ability to do so, and to appreciate the importance of the occasion, then, as a colonist of Queensland, I pity him. If we cannot rise to the occasion, we may fall to the occasion, and let the Premier have his way in this matter. Let the proposal be accepted; let us have the fullest information he has promised, and do not let us interpose opposition which, if not fractious, is indiscreet, but let him bring into the arena of business a matter of the highest importance to the people, and one which affects our reputation abroad as well.

Mr. BATTERSBY: The Government are bringing forward a Bill for the purpose of saving those who have current accounts in the Queensland National Bank.

The SPEAKER: Order! I ask the hon. member not to anticipate discussion on the Bill, but to confine himself simply to the question of the suspension of the Standing Orders.

Mr. BATTERSBY: Excuse me—I made a mistake. I am going to vote for the suspension of the Standing Orders.

Mr. TURLEY: I am entirely in accord with the remarks made by members on this side regarding the motion. While the hon. member for Charters Towers was speaking the Home Secretary interjected that it was only once in a generation, possibly, that it would be necessary; but we know different from that by our own experience. There have been numerous occasions in this House when the same motion has been placed on the business-paper. Some of us were members in 1893, when the same motions were made regarding business to come before the House; but objections were raised that members should have the fullest opportunity of forming an intelligent opinion before they were asked to legislate on matters of urgent public importance, and the Government then thought it better that time should be given to consider the business before it was rushed through. It was very pertinently put by the hon. member for Charters Towers when he said that the effect of passing this motion would be that hon. members will be asked to pass the Bill without any consideration, without being able to study its effect when compared with other legislation already on the statute-book. It is almost ridiculous to say that this sort of legislation may be allowed to be carried without consideration when it is a matter which affects not only members of this House but a large number of the public. If there is not something behind this measure which the public should not know, then why the urgent necessity of rushing it through Parliament? Because the Government have had an opportunity of considering the measure that is no reason why the House should allow it to be rushed through in a couple of hours. One hon. gentleman said, "Have you not seen the Bill?" I have seen the Bill, but, as has been pointed out, one copy of it was handed by the Premier to the leader of the Labour party yesterday afternoon, about 5 o'clock. We were in the House up to half-past 11 last night transacting public business, and after we had finished we went home. At least, I did. Hon. members had not time to go

into the consideration of the measure, even although they had received a copy each. One Bill passed round among twenty members does not enable them to give it consideration. What is the use of members saying, "Have you not seen the Bill?" I could see it from my place here if the Premier put a copy on the table, but that would not enable me to study it. From what I have seen of the measure it does not strike me as being of such urgent importance that it is necessary in the interests of Queensland to suspend our Standing Orders to allow it to pass through. I do not believe we are justified with measures of such importance in accepting them, not upon our own responsibility, but simply on account of what is said on the front Treasury bench. The Government say, after they have had full time to consider the measure, "We want to suspend the ordinary practice of Parliament and allow this measure to go through, because we consider it is of urgent public importance," without consulting members on this side, who are almost totally ignorant of the provisions of the Bill. It would be far better for the hon. gentleman to allow the measure to be laid on the table, and allow members to have an opportunity of considering its effect upon other legislation which has been passed.

Mr. GROOM: I cannot say that I altogether agree with the opposition which is offered to this motion, and I desire to express my reasons for the views I hold. I do not think I shall be out of order if I say that the present Premier of New Zealand, who stands high in most of the colonies for wisdom and sagaciousness, did exactly what the hon. gentleman at the head of the Government proposes to do upon this occasion.

Mr. TURLEY: He has been sorry for it ever since.

Mr. GROOM: I am not aware that the Premier of New Zealand has expressed any regret for the action he took upon that occasion. There cannot be the slightest doubt at any rate that no one knew what was going to happen until the banks began to close, and then the hon. gentleman took the House into his confidence and succeeded in passing a Bill through all its stages in one day dealing with the Bank of New Zealand. By his action on that occasion he not only saved the bank, but he restored the equilibrium of commerce and trade of that colony. Whatever may have been the disasters which have overtaken the bank since, owing to the mismanagement which has been exposed by the select committee, it does not affect the principle adopted by the Premier of New Zealand on that occasion. What has happened on the present occasion? The Premier, with a courtesy which does him infinite credit, has taken both sides of the House into his confidence. He took the leader of the Labour party into his confidence; he told him on Tuesday afternoon what was to be done, confidentially of course, and the reasons for it, and then two other gentlemen of the Labour party were deputed with him to meet the Premier. They met him, and I may say that the hon. gentleman has extended a courtesy to the Labour party which he did not extend to other members. I have not seen a copy of the Bill, but I know what its purport is from what the Premier intimated to members of the Opposition when he invited them to his room. We were distinctly told what the purport of the Bill was.

Mr. McDONALD: We were never told that it was going to guarantee fixed deposits.

Mr. GROOM: The hon. member for Flinders is quite right when he says we were not told that it was going to guarantee fixed deposits. Of

course I am speaking now in entire ignorance of the contents of the Bill. It has been intimated that the current accounts were to be guaranteed.

Mr. STEWART: I rise to a point of order. I ask your ruling whether the hon. member is in order in discussing a matter which is not before the House?

The SPEAKER: The hon. member was evidently led away by an interjection. It is often difficult to say whether an hon. member is in order or not when replying to interjections which in themselves are out of order.

Mr. GROOM: I do not wish to transgress the rules of debate. I was only giving reasons which will influence me in voting for the motion. I was saying that I thought the hon. member had given reasons which, to my mind, were satisfactory for moving this motion. I believe it is of the highest importance in the present condition of affairs, when the interests of thousands of persons are involved, that we should rise to the gravity of the occasion and sink all party in a desire to do good to the whole colony. Under the circumstances we ought gracefully to accept the motion, and when the Bill comes before us let us discuss the details in any way we may think proper.

Mr. BROWNE: I hardly agree with the hon. member who has just sat down, that because the Premier is courteous enough to tell people what he intends to do that therefore they are bound to agree with him, and let him do what he likes. The Premier could get legislation through at any time by telling hon. members upon this side that he will introduce a certain Bill upon a certain day, and I see no reason in that. Like other hon. members who have spoken on this side of the House, I decidedly object to this way of conducting legislation. We are accused of stirring up agitation, but here is a mysterious motion moved that all the Standing Orders and the safeguards of debate are to be suspended for some urgent purpose. We are all told that we all know what that urgent purpose is; but most of the information I have about it is what I have obtained from the Brisbane daily papers to-day and yesterday. I may point out that upon numberless occasions in this House when I have ventured to quote anything from those papers inimical to the hon. member, I have been asked, "Do you trust the papers?" Only last week I was told that I must be very innocent—

The SPEAKER: Order! The remarks the hon. member is now making are not relevant to the question before the House.

Mr. BROWNE: The Premier said every hon. member in this House knew what the business was, and I was saying that so far as my information is concerned it is certainly very little. With regard to the suspension of the Standing Orders, this same motion was moved upon a very memorable occasion, and, unless my memory serves me wrong, upon that occasion we were told what legislation was to be introduced. That was in 1894, when the Standing Orders were suspended for the purpose of introducing the Peace Preservation Bill; but upon this occasion we have only the bald statement that it is a matter of urgent legislation. That plea might excuse a great many things. We are told that the hon. member communicated with the hon. member for Bundaberg, whom all of a sudden he is very pleased to recognise as the leader of the Labour party. Up to the present he has been unwilling to recognise him, and has openly denied him that courtesy. The senior member for North Brisbane told us that anyone should have ability to read between the lines, and if he had not, then God help Queensland. If I had the same ability as that hon. member of being able to read between the lines I would be a

bigger power in this House than I am likely to be; but unfortunately I have not that ability, and the information I have received is not sufficient to induce me to give up anything that I think is a safeguard to the freedom of debate in this House and the proper carrying out of our legislation. The hon. member for Toowoomba referred to this question as being one that was above party, and I thoroughly agree with him. I think that when this measure comes to be debated he will see that there is less party in it amongst the Labour party than there is even in the small party that he professes to be a member of. Another reason why this legislation is not so urgent is that it is practically a reversal of the policy of the Government, or what we were told was the policy of the Government, three years ago, when the same thing was advocated from this side of the House. We were then denounced by hon. members on that side of the House, and by the Press all over the colony, and now suddenly, without giving us any information, the Premier has taken up the position we then occupied. I most certainly do not think it is as urgent as he says. If there is anything at all that is likely to cause trouble or a panic—

The SPEAKER: The hon. member can discuss the urgency of the question when it comes before the House. The present question is the suspension of the Standing Orders.

Mr. BROWNE: My contention is that we have had no evidence to show that this is a matter of an urgent nature; therefore I am opposing the suspension of the Standing Orders. I have not the slightest wish to take up the time of the House or delay the Bill in any way, but I always like to have full information before me when I have to give a vote in this House. Upon occasions of this kind I think the saying applies that "Raw haste is half-sister to delay." I contend that hon. members, whichever side they may sit upon, are unable to pick up a Bill, however much they may know about the matter, and digest it after just one look at it, and then give an intelligent vote upon it. I shall vote against the motion.

The Hon. J. R. DICKSON: I think it is in the interests of the country that the House should proceed with the intelligent discussion of the merits of the legislation proposed to be introduced rather than waste time in discussing the abstract question of whether the Bill is urgent. I trust the Government so far as to believe that if they consider the matter urgent we may fairly allow the measure to be introduced, and at subsequent stages we can ourselves decide whether the measure should be passed through at one sitting. There are certain forms of the House, which can be legitimately exercised, by which, if we consider the matter is not urgent, delays may be intervened; but I take it that this matter, which I need not distinctly refer to, but which has been simmering in the public mind for months past, and is now exercising the public mind, is one that we should not hesitate to proclaim urgent, and deal with it in such a manner as may allay that anxiety which certainly is embarrassing the commercial and financial public in connection with the legislation proposed to be introduced. I am quite in the dark as to whether we will be justified in passing the measure immediately, but I am quite willing to accept the statement of the Premier that it is of an urgent nature. No question could be introduced in this Parliament of a more urgent character; and the public will be far better pleased if we intelligently discuss the measure which may be submitted than if we have a discussion upon this resolution. I trust hon. members will now agree to pass the motion. I intend to give my vote for it.

Mr. DRAKE: If this motion goes to a division I shall feel compelled to vote against it. In

spite of what the hon. member for Bulimba has said, I think that these forms of Parliament are intended to protect us against hasty legislation, and it cannot be a good reason for suspending our Standing Orders that the Bill is a very important one. The more important the Bill is the more necessary it is that we should preserve those safeguards which have come down to us from antiquity. I am not aware of any precedent for suspending our Standing Orders in this Parliament to pass any Bill except an Appropriation Bill; and the reason why Appropriation Bills are almost invariably suspended is because the only point where there is any variation between one Appropriation Bill and another is in the amount granted by Parliament.

The SECRETARY FOR PUBLIC INSTRUCTION: A mere trifle that.

Mr. DRAKE: I wish the Secretary for Public Instruction will refrain from disorderly interjections. The amount is the only point upon which Appropriation Bills vary, and that is a point upon which the agreement of the House can easily be obtained after a simple statement by the Treasurer before he introduces the Bill. Everything else is mere formality. Here we are told that this Bill is of an urgent nature, and that is all we are allowed to know about it. An Act of Parliament should embody the will of the people constitutionally expressed; but it cannot be that unless Parliament has full opportunity of discussing the Bill and deciding upon it after reasons given and heard. This Bill that we hear of simply represents the will of the Government—the will of the Premier and his colleagues and perhaps his friends—but certainly not the will of the people; and the hon. gentleman in asking for the suspension of the Standing Orders is asking that Parliament shall turn itself into a court of registration to register his will. The House will not be justified in taking any such action. If it does it will be abrogating its proper functions. We have had from time to time a great number of Bills passed hurriedly, and the Bills which have been passed the most hastily have been of the most pernicious character, so that I am not inclined to assist the Government in rushing Bills through. We have a Standing Order which gives the Government ample powers for passing Bills through all their stages in one day, without any suspension of the Standing Orders. That is the Standing Order under which the Peace Preservation Act of 1894 was passed through in one day. The 279th Standing Order says—

“Bills of an urgent nature may, by leave of the House, be passed with unusual expedition through their several stages.”

There is nothing to prevent the Government from passing the Bill through all its stages to-day with the leave of the House.

The HOME SECRETARY: If one member objects we cannot do it.

Mr. DRAKE: The Government know the contents of this Bill. Members of the House either do not know, or are not supposed to know, and evidently the Government are anticipating some objection to the passage of the Bill to-day, and they want beforehand to rob hon. members of the power they enjoy at the present time under the Standing Orders of preventing the Bill from passing. Hon. members will not be doing their duty if they deprive themselves of a weapon which they may find exceedingly useful when the Bill comes to be discussed. I do not wish to say anything about the Bill. I also have read the paragraphs in the papers, but I do not want to forecast what may be in the Bill; but certainly if hon. members find anything very obnoxious in it which they would like to defeat, they will, if they vote for this motion,

incur the responsibility of depriving themselves of the power of preventing such an obnoxious provision from passing.

Mr. HARDACRE: Like a good many other members I have been rather surprised at a motion of this tremendous character being moved without the reasons for it being given by the Premier. It has been said that every hon. member knows the reason for this motion, but even if that is so the country should also know the reason for passing a motion of this sort. The Premier has himself given a conclusive reason why this motion should not be allowed to pass until the proper reasons for it have been given. The hon. gentleman stated that since the information given to private members yesterday he has now got additional information; if that is the case surely we should have that additional information before this motion is passed. Will that information justify the passing of this motion, or will it take away any justification for passing it? After we have given up our defences, and broken down all our safeguards, we are told that we will get the information, and will be able to say whether the legislation to be proposed is of an urgent character, and whether we will be justified in passing it. Surely that is a reversal of the proper order of proceedings? Supposing we knew the character of the proposed Bill thoroughly, that, so far from being a reason for passing this motion, might be a good and sufficient reason for refusing to pass it. It is because I know the principle of the Bill, and have had a cursory glance at its clauses, that I am prepared to oppose this motion to the utmost extent. I consider the Bill of such a character that it should not pass through this House without the amplest opportunity for its discussion, that safeguards may be provided in the interests of the colony.

The HOME SECRETARY: There will be plenty of time for discussion.

Mr. HARDACRE: There may and there may not be. If the Standing Orders are suspended, the whole Bill may be passed through in an hour; and though hon. members were in favour of the principles of the Bill, how is it possible for them to consider the details in that time? A Bill of this kind, which may involve the country in a large amount of money, should be in the hands of hon. members for two or three days, that they may have time to consider its proposals, and see whether better methods might not be adopted to carry out its objects. I see no reason for this tremendous hurry. The purport of the Bill is as much public property now, through the agency of the Press, as it will be in a week's time, and no further injury than has already been incurred could come about if this legislation occupied a day or two in passing. It is a mistake to pass such legislation in a panic. In 1893 we had legislation, and what became of it? It was practically panic legislation, and has it done us any good?

The SPEAKER: The hon. member cannot pursue that subject now. He cannot discuss the effect of the legislation of 1893 on this motion.

Mr. HARDACRE: I was merely trying to show that we had panic legislation before, and it has done us no good, and presumably the panic legislation now proposed will produce no permanent good. I may assist in the passing of the Bill when it is before us, but I see no reason for passing this motion.

Mr. McDONALD: The action taken on this occasion is not in keeping with the former practice of the House, nor is it in keeping with the former practice of the hon. gentleman who has moved this motion. Since 1888 a course similar to that now proposed by the head of the Government was taken on three occasions. I find that on each of those occasions the motion when

brought down distinctly stated the nature of the Bill to be dealt with, and the reasons why it should be taken as urgent. In one case, going as far back as 1888, Sir Thomas McIlwraith—

"Pursuant to suspension of Standing Orders, moved without previous notice, for leave to introduce a Bill to make valid all acts and things done by the Hon. Charles Stuart Mein while discharging the duty of a judge of the Supreme Court of Queensland, whether acting alone or conjointly with any other judge or judges thereof, from the date of his appointment to the passing of this Act."

We have in that particular case—

The SPEAKER: Is not the hon. member now quoting the record of leave to introduce the Bill after the suspension of the Standing Orders? I point out to the hon. member that that course must be followed now if this motion is carried.

Mr. McDONALD: Supposing that is so, it only makes my case the stronger, because the hon. gentleman has not followed his own practice when he moved a similar motion in connection with the Peace Preservation Bill. On that occasion he distinctly stated his reasons for making the motion. On the 26th of September, 1888, when Sir Thomas McIlwraith moved the suspension of the Standing Orders in order to admit of an Appropriation Bill being passed through all its stages in one day, he said—

"I must ask the leave of the House to amend this motion, so that in the second last and last lines it may read, 'also of introducing and passing Bills through all their stages in one day.' My reason for doing so is that a difficulty has arisen with regard to the position of Mr. Justice Mein, a judge of the Supreme Court. As the Government consider it a matter of urgency to overcome the difficulty, they desire to pass a Bill dealing with it as quickly as possible through the House."

There, as in the case of the Peace Preservation Bill, the reasons were distinctly stated, and the same thing was done in 1893, when the Standing Orders were suspended in connection with the same business as we are now considering—that is, banking legislation. Why has that not been done to-day?

The HOME SECRETARY: We do not want to waste time.

Mr. McDONALD: There is no member who wastes more time on private members' day than the hon. gentleman. It is because we have something of a very serious nature to consider that the Standing Orders should not be suspended in this instance. Members will not be doing their duty to the country if they allow such a measure to go through all its stages in one day, without being fully discussed. It has been said that it can be fully discussed after the Standing Orders are suspended; but if it is to be fully discussed, why do the Government ask for the suspension of the Standing Orders? They must have some object in asking for that, and we can clearly comprehend that the reason why they ask for it is that the Bill may pass through all its stages in this House, then be put through the Upper House, and become law before to-morrow morning.

The HOME SECRETARY: May that not be necessary in the public interest?

Mr. McDONALD: It may, but we do not know. We have been told by the Premier that he has the fullest information to give the House, but he has declined to give that information. Why is that information withheld? Why are we treated like a lot of children that we should not have the fullest information given to us? The Premier should have given that information when he asked for leave to suspend the Standing Orders, and as he has not done so I, for one, as far as I am able, will oppose the motion. It is quite true, as the Premier has stated, that he has taken certain members into his confidence; or rather it is true to some extent—that is, it is half true. The hon. gentleman should have told

the House that the members whom he had taken into his confidence did not give him to understand that they would acquiesce in everything he proposed. But he gave the House to understand that because he had discussed in private what ought to be a public matter, he had merely to ask for the suspension of the Standing Orders and it would be agreed to. Another important matter in connection with this motion is that there are some fifteen or sixteen motions by private members on the business-paper, and if this motion is carried they will all be postponed. Of course, the Premier has stated in an off-handed way that as he is taking private members' time to-day he will give them an afternoon on Tuesday; but, on a previous occasion when it was proposed to postpone certain business, that was objected to for the simple reason that members had come here prepared to discuss the matter. These motions would not have been put on the paper if members did not think they were of great importance to the country, and the Government have no right to ask for the time that should be devoted to private members' business. If this matter is as urgent as the Premier says it is—and I maintain it is not—it would only have been an act of courtesy on the part of the Government to have supplied each member with a copy of the Bill, and brought the matter on for discussion next Tuesday, so that when the House met they would recognise their responsibility and know what they had to discuss. But that we are not now in a position to do; and I agree with the senior member for Charters Towers that we are unable to deal with an important Bill at sight. In asking us to suspend the Standing Orders the Government are asking us to violate principles that have been handed down to us for centuries. I do not feel capable of properly dealing with the matter without due consideration, and I intend to vote against the suspension of the Standing Orders. If the question is one of such tremendous urgency the hon. gentleman might have gone a step further and suspended the Labour party, and then he would have got through it in a few minutes.

Mr. DANIELS: They did that once.

Mr. McDONALD: There is another way the Government might have introduced the matter, under the same Standing Order, and it would not have been of such an extraordinary character; and that was the course the Government ought to have pursued, presuming, of course, that it is of such urgent importance to the country. The very fact of giving notice to suspend the Standing Orders must have created suspicion throughout the colony, and the Government could easily have avoided that by moving, without notice, the suspension of the Standing Orders as a matter of urgency. Under Standing Order No. 334, the hon. gentleman could have moved the motion without notice, and it could be defeated by six members rising in their places to oppose it, but those six members would recognise that they would have to take the responsibility for their action, and they would not do that without giving the matter most serious thought. The Government would then have been secured from any wrong-doing. But the Government did not pursue that course. The Premier gave notice of this motion, and that is where the damage has been done.

The SPEAKER: I would remind the hon. member that it is not a question of damage being done, but whether the Standing Orders shall be suspended.

Mr. McDONALD: I quite understand that. I was merely attempting to give an illustration, and if I am out of order in doing so I will not proceed with it further; but I always

understood that if any hon. member desired to speak by way of illustration, he had a perfect right to do so.

The SPEAKER: The hon. member's remark was not an illustration, but a statement apart from the question.

Mr. McDONALD: I was showing the Government a better course which they could have adopted, supposing the business was of such an extremely urgent nature, which I deny, as far as I know. They did not adopt that course, but another which is a violation of the practice that has been followed for centuries. I object to this course of procedure for the reason already urged that it does not give us time to give the matter proper consideration. It is our duty to give all Bills the very fullest consideration, and that is an impossibility if the Standing Orders are suspended. And that is why I intend to vote against the motion.

Mr. DANIELS: In common with other hon. members I intend to oppose the motion. I may say I have had a look at the Bill it is proposed to bring in, and I fail to see that it is of such an urgent nature that it could not be taken in the usual course of business. Of course some members are going to support the Bill, and some are not; and there is no harm in saying that there is a good deal in it that I believe in.

The SPEAKER: The hon. member must not anticipate discussion on the Bill.

Mr. DANIELS: I see no reason for departing from the usual course on this occasion, and I intend to oppose the motion.

Mr. CROSS: I must confess that I differ somewhat from previous speakers on this motion. I must admit, from what information has been placed in my possession, that there is an urgent need of something being done, and I would be lacking in my sense of responsibility as a member of this House if I did not acknowledge that. The Premier was good enough to take into his confidence some members on this side, and the information given by him was imparted to other members, and as far as I know they are in possession of all the information I have on the question. I think, however, that the Premier might have given some reasons when he moved this motion; I feel satisfied that if he had done so this discussion would not have taken place, or at all events the motion would have been carried without any difficulty. I can say for a good many members on this side that they are willing and anxious to do all they possibly can to assist in the object of the Government in this matter; but they think it is not fair to conduct business *sub rosa*, and that the Premier should have given his reasons for moving the motion. Another important feature of the case is that this motion is but the preliminary to a much more important event. It has never been the practice in the past to move motions of this sort without giving the reasons, and I do not think the Premier would have lost anything by taking the House officially into his confidence. So far as the particular object of the motion is concerned, I must confess that while it is desirable to do something promptly I cannot see that it requires the suspension of the Standing Orders. It would have been sufficient to have put rule 279 into operation, as suggested by the hon. member for Enoggera, and if the question goes to a division I shall vote against the motion.

Mr. STEWART: It is quite an uncommon course, it appears, to ask for the suspension of the Standing Orders. In the everyday affairs of life, when it is found desirable to adopt a course in opposition to the method usually employed,

reasons are invariably asked and given; but in this case the Government ask us to suspend the Standing Orders without giving any reason whatever. In common courtesy to the House the Premier should have stated his reasons for asking that such an extraordinary step should be taken. The hon. member for Charters Towers and the hon. member for Enoggera put the case in a nutshell when they asked how we could deal with a Bill and come to a decision upon it without having an opportunity of giving it that consideration which it deserves. I also agree with them that the more important a measure the more desirable is it that the House should have a full opportunity of discussing it. Days and weeks are wasted in this Chamber on the most trivial measures; but here is a proposal said to be of great public importance, and we are asked to rush it through without time for consideration. That is what I may call a pestilential method of procedure. It is a direct attack on the powers, privileges, rights, and duties of Parliament; and if this sort of thing is to be continued, why not abolish Parliament and place the Government in the hands of a few men who will act as despots? That is the position—neither more nor less. The members of the Ministry have agreed amongst themselves that a certain course is necessary, and they come to the conclusion that, they having agreed personally, the House has no business to be considered in the matter—that all they have to do is to bring down their measure and have it rushed through at break-neck speed. That is a method of procedure against which every member who believes in representative government and the ordinary conduct of business should protest. It has been shown how the Government could have attained their object in a much better way; and if they were able to make out a good case, I do not believe even six members would take the responsibility of placing a bar in the way of legislation deemed to be urgently necessary. But the Government would not place that much confidence in the members of this House; and, that being so, the members of this House would not be justified in placing any confidence in the Government. For my part, seeing what they have done and the way they have done it, I am certainly not induced to repose any confidence in them, and on that ground I will vote against the motion.

Mr. FOGARTY: I think some information should be given to the House why this unusual course has been adopted. I have heard certain rumours which are of a very conflicting nature, and I am not prepared to support the motion by my vote unless certain information is given. It is quite possible that if that information were forthcoming I would support the motion both by my voice and vote. It is utterly impossible for members to consider an important matter of this nature without having the Bill placed in their hands. I shall say nothing more, but simply wished to show the House in what direction I shall vote when a division is taken.

Question put; and the House divided:—

AYES, 42.

Sir H. M. Nelson, Messrs. Byrnes, Tozer, Dalrymple, Philp, Foxton, Macdonald-Paterson, G. Thorn, Dickson, Grimes, Callan, Tooth, Bridges, Story, Fraser, Bell, Curtis, Collins, Finney, Groom, Chataway, Stumm, McGahan, Armstrong, Stephenson, Corfield, Newell, Cribb, Crombie, Battersby, Stodart, Smith, Lord, Lissner, McMaster, Leahy, Castling, Stephens, Hamilton, O'Connell, Bartholomew, and Annear.

NOES, 24.

Messrs. Glassey, Keogh, Cross, Dunsford, Kerr, Sim, Hardacre, Fitzgerald, Turley, King, Roles, W. Thorn, Drake, Fogarty, Dibley, Hoolan, Jackson, Browne, McDonnell, Daniels, Dawson, Kidston, McDonald, and Stewart.

Resolved in the affirmative.

REPORT OF QUEENSLAND NATIONAL BANK COMMITTEE.

The TREASURER: I beg to lay on the table the report of the committee appointed to ascertain the position and affairs of the Queensland National Bank, and move that the paper be printed.

Question put and passed

QUEENSLAND NATIONAL BANK, LIMITED, GUARANTEE BILL.

The TREASURER: I beg to move that you do now leave the chair, and the House resolve itself into the Committee of the Whole to consider the desirableness of introducing a Bill to authorise the temporary guarantee by the Government of certain deposits in the Queensland National Bank, Limited, and for other purposes connected therewith.

Mr. McDONALD: I would like to ask the Premier if it is the intention of the Government to proceed with this Bill when we have only just had the report placed in our hands?

The SPEAKER: I think the hon. member would be more in order in asking that question after leave has been given. The question before us now is that the House go into committee to consider the desirableness of introducing such a Bill.

Mr. McDONALD: If I am out of order I will resume my seat.

The SPEAKER: The hon. member is out of order in asking the Premier if he intends to proceed with a Bill which he has not yet introduced.

Mr. McDONALD: He asks leave to introduce it.

The SPEAKER: Just so. Having obtained that leave the hon. member will be in order in asking the question, but he must not anticipate the House granting that leave.

Mr. McDONALD: I want to know from the Premier if it is his intention to go on with this measure.

The SPEAKER: The hon. member is not justified in asking that question until leave is actually granted.

Mr. McDONALD: May I ask your ruling as to whether I am in order or not?

The SPEAKER: I have already said the hon. member is not in order in asking if it is the intention of the Premier to do a certain thing contingent upon something else being done.

Mr. McDONALD: Then I move that your ruling be disagreed to. We should have the fullest information in regard to this matter, and we will have it. I contend that as the hon. member has moved that you do now leave the chair to go into committee to ask for leave to introduce this Bill, I am perfectly in order in asking this question or any other question I may desire. It has been repeatedly done in this House I know, although I have not looked up authorities. I therefore move that your ruling be disagreed to, and shall take a division upon it.

Mr. HARDACRE: I would point out that any hon. member has a right to ask a question at any time without being out of order, although it might be more advisable and more in accordance with the order of things not to ask the question in this instance until we are in committee. As I cannot see that the hon. member is out of order I shall reluctantly have to vote for the motion that your ruling be disagreed to.

Question—That the Speaker's ruling be disagreed to—put and negatived.

Question—That the Speaker leave the chair—put and passed.

COMMITTEE.

The TREASURER moved—

That it is desirable that a Bill be introduced to authorise the temporary guarantee by the Government of certain deposits in the Queensland National Bank, Limited, and for other purposes connected therewith.

Mr. McDONALD asked the Premier if he intended to proceed with the Bill? They had just had the report placed in their hands, and in all fairness to hon. members, the least the hon. gentleman could do was adjourn for a couple of hours, so that they might have an opportunity of reading it.

The TREASURER: The sole object in suspending the Standing Orders was to put the Bill through in one sitting. The hon. member knew the answer to his question without asking it. If hon. members on the other side wished for time to read the report—

Mr. SIM: And hon. members on your own side also. There are business men on the other side.

The TREASURER: It would not take very long to read the report, but still if hon. members desired it he would have no objection to giving them time. There would be plenty of time to read the report during the second reading of the Bill. Let them get through the formal stages, and then, if time were wanted, they could adjourn till 8 o'clock.

Mr. McDONALD: What did the hon. gentleman mean? If he would state that the House would adjourn after getting through the formal stages, he would be satisfied.

The TREASURER: I have no objection to adjourning till half-past 7.

Mr. GLASSEY believed the Premier was anxious to meet the wishes of hon. members, and as the point was not one of importance he urged him to accede to the request, which was a reasonable one. They had every desire to assist the Government in passing a measure which would be the wisest and best in the interests of the colony as a whole.

Question put.

Mr. McDONALD said that the Premier had given no assurance.

The TREASURER: He had stated most distinctly that, if it was the desire of hon. members on the other side, he had no objection to an adjournment till half-past 7. That desire had now been expressed by the leader of the party opposite, and he was quite agreeable.

Question put and passed.

The House resumed; the CHAIRMAN reported that the Committee had come to a resolution; the resolution was agreed to, and a Bill founded thereon was then introduced.

FIRST READING.

On the motion of the TREASURER, the Bill was read a first time.

At twenty-five minutes to 6 o'clock,

The SPEAKER said: In accordance with what I understand to be the wish of the House, I shall resume the chair at half-past 7 o'clock.

HONOURABLE MEMBERS: Hear, hear!

At half-past 7 o'clock,

The SPEAKER resumed the chair.

SECOND READING.

The TREASURER: I move that this Bill be now read a second time. In doing so the House will allow me to continue the history of this case, which has been stated to the House up to a certain point. Hon. members will recollect that certain correspondence appears in the journals of this House—namely, a letter of mine, dated the 27th August last, appointing three members of a committee of investigation of the affairs of the Queensland National Bank. On the 3rd September, after a debate in the House, I addressed a further letter to the Auditor-General,

reminding him of previous correspondence which had taken place between us, when he refused to act, and asking him to reconsider his decision. Then followed a letter from the Auditor-General, stating that he agreed to act, and another from me giving him formal instructions to do so. Since that correspondence took place the following letters have passed between myself and the committee, and they complete the whole of the correspondence in the case up to the present time. On the 20th October I addressed the committee in the following terms :—

"Gentlemen,—With reference to previous correspondence on the subject of your appointment to investigate the affairs of the Queensland National Bank, Limited, I now do myself the honour to request that you will be good enough to inform me as to the date on which I may expect to receive the report containing the results of your labours.

"As it is of the utmost importance in the interests of the colony that any unnecessary delay in the matter should be avoided, I would suggest that a report might be furnished which, while embodying your opinion as to the relative proportion between the liabilities and assets of the bank, might also, as far as possible, deal with the actual position of the bank at the present time, and contain the suggestions which you may desire to make as to the best course to be adopted by the Government in reference to the business and affairs of the institution for the future."

To that on the following day I received this reply—

"Sir,—With reference to your letter of the 20th instant, in which you asked to be informed of the date on which you may expect to receive the report of the committee on the affairs of the Queensland National Bank, we have the honour to advise you that we expect to be able to furnish you with our report, on the position of the bank on the 30th June, 1896, by the end of the present month.

"The committee commenced work on the 3rd September, and the state of affairs on the 30th June—the latest date to which advices had been received from the London office of the bank—was considered as the most fitting for examination, verified by sales of securities since that time.

"We hope to furnish you, as requested, with some suggestions as to the best course to be adopted by the Government in reference to the business and affairs of the institution for the future; but it will be impossible in the time to report on the past management of the bank. This, if required, can be supplied in a separate examination."

Nothing further transpired until last Tuesday morning, when the Auditor-General called upon me and informed me that the committee had practically arrived at a conclusion as to what their report would be. He also gave me to understand that the committee strongly recommended a certain course to be pursued. He pointed out that in any case, and whatever the report might be, some reconstruction of the bank was inevitable, and that in order to carry out that reconstruction time was required. Any hon. member can easily see that as a large number of the persons interested in the bank are in London, Glasgow, and elsewhere, before any new rearrangement could be made it is necessary in law and in justice that they should be consulted. Consequently a considerable space of time must elapse before any reconstruction can be brought to perfection. The committee recommended that in the meantime, as a necessary preliminary in order not to damage the bank, and in order not to injure the interests of the colony, some steps should be taken to ensure that the business doing in the bank should be carried on in the meantime. In other words, the current account depositors in the bank should have some assurance during the time these negotiations are going on that their accounts shall not be interfered with. As soon as I received this information from the Auditor-General, a few hours afterwards, I communicated it to as many members of the House as I could put myself into communication with. I saw the leader of

the Labour party and the gentleman representing the Opposition first of all, and explained to them what the recommendation of the committee was. Subsequently to that I stated it to members on this side of the House. I considered it my duty to do so seeing that what we had before us, and what is guiding us in any action we may take, is not the interest of the bank as a bank, but purely and solely the interests of the colony as a whole.

HONOURABLE MEMBERS: Hear, hear!

The TREASURER: Those are the only considerations which ought to guide us in coming to any conclusion in this matter. Since that, bringing the history of the case to a conclusion, the committee's report has been put in my hands, dated to-day, and the only clause or paragraph which deals with the subject now before us is paragraph 22, which I shall take the liberty of reading to the House. It is as follows:—

"After careful consideration of many schemes we have decided to offer what appears to us to be the most practical suggestion, since it is placed upon a clear recognition of the facts. It must, however, be obvious that the publication of our report would materially damage, if not destroy, the credit of the bank. Hence it becomes necessary to devise some means by which protection may be at once afforded to existing interests pending the completion of arrangements for placing the affairs of the bank upon a working footing. To prevent the stoppage of the bank, to avert what most people would regard as a public disaster, and to enable the shareholders, the holders of the deferred deposit receipts, and the Government to decide upon a future course of action, we have resolved, notwithstanding our strong aversion to any form of State guarantee, to recommend the Government to guarantee temporarily the balances at credit of current accounts, and also such of the new fixed deposits as may mature during the same period."

Hon. members having had the report and that paragraph particularly before them, are in a position to say for themselves whether they will adopt that recommendation or not. Any member who considers what disastrous effects the closure of the bank would cause to the whole trade and commerce of the colony, who considers what would be the effects of such a contingency on the immediate relations of the bank, and who considers how not only the assets of that bank but of all the other banks in the colony would be thereby depreciated to an enormous extent, must see that it is in the interest of the colony that some such measure as we now propose should be carried through. I think they will further see the urgency of the case, because it must be evident to hon. members that if nothing at all is done the effect of this report on the public mind will simply be such that those members of the community who have money at call in the bank would to-morrow morning go and avail themselves of their legal rights and draw out the moneys they have there, and the coffers of the bank would thereby be depleted to a considerable extent.

Mr. JACKSON: People are doing it now.

The TREASURER: Hon. members seem to know more about the bank than I do, but I have my information from headquarters. It is quite true that that has been done to a very small extent.

Mr. GLASSEY: Has there been any run on the bank to-day in consequence of what appeared in the papers?

The TREASURER: I am not aware, but I do not think it is at all likely that it has taken place to-day. At any rate there is nothing to alarm anyone, as far as I saw, in the public prints this morning or this afternoon, and even if there had been in the afternoon it would have been too late. My information from the general manager of the bank, who ought to know, is to the effect that since this investigation was ordered there has been a depletion of the bank

by those having current accounts, but not to any alarming extent, and it is only natural that such should have been the case; nothing else might have been expected. But it must be evident to any hon. member who looks at the matter from a business point of view that at the stage we have now arrived at, if nothing is done to prevent damage to the bank—and not only to the bank but also to the customers of the bank, considering human nature and how people who have money are easily alarmed, especially in these times—before this House would meet again the bank would possibly, almost necessarily, be depleted to the extent of the amounts standing to the credit of current accounts. That is the excuse for making this Bill urgent. The committee of investigation evidently thought it was urgent, and no stronger recommendation for this Bill could be given than is contained in the paragraph I have read to the House.

MR. BROWNE: The report generally.

The TREASURER: No, we cannot deal with the matter generally to-night. What we are doing now is purely preliminary. We will deal with the report a week or two hence, when we bring in the Bill which must necessarily follow, unless this House agrees to-night that the bank must go into liquidation.

MR. DUNSFORD: Will other legislation be forthcoming this session?

The TREASURER: Most certainly. I have explained that to the leader of the Labour party, and to everyone I have spoken to on the subject. I believe I shall be able to bring in a Bill and put it through its formal stages, but no further, next week. I hope to be able to do that.

The Hon. J. R. DICKSON: But during this session certainly.

The TREASURER: Most certainly, even if we have to sit a little longer than usual for the purpose, because the calamity that would happen to the colony by the closing of the doors of this bank a second time is almost beyond contemplation. Any member of the community, whether connected with the bank or not, must see that it is to the interest of the colony that the bank should, if possible, be kept on as a going concern. I believe that is apparent to every member of this House, and also to every intelligent person in the community. I do not know that I need say more on the second reading of the Bill. The principle of the Bill is well established in the paragraph I have quoted from the committee's report, and the advisableness of the measure must be apparent to every member of the House.

MR. DAWSON: What do you hope to gain by the Bill?

The TREASURER: To keep the bank on as a going concern; to avoid the calamity which would happen to the colony by its ceasing to be a going concern.

MR. DAWSON: The report is dead against that.

The TREASURER: Not at all. I have quoted the only paragraph of the report that affects this Bill, and it is on the recommendation of the committee that the Bill is introduced.

MR. DAWSON: The whole state of the bank affects the Bill.

The TREASURER: The title of the Bill will show the hon. member that that is not the case. If the bank closed to-morrow this Bill would be of no use whatever.

MR. GROOM: Will the hon. gentleman explain what is meant by "fixed deposits," in the 2nd clause of the Bill?

The TREASURER: That is defined in the interpretation clause. "Fixed deposit" means "any sum of money not included as aforesaid deposited with the bank by any person for any fixed period, and bearing interest." That refers to sums deposited since the 31st July, 1893.

MR. GROOM: It means sums deposited in the bank since 1893.

The TREASURER: It states so. It is entirely confined to the new creditors.

MR. DUNSFORD: Are those the new fixed deposits amounting to £57,793?

The ATTORNEY-GENERAL: Yes; if they mature.

The TREASURER: As far as fixed deposits are concerned they are a matter of very small importance compared with the main question; but I think it is only fair that the fixed depositors who have those small amounts there should be guaranteed.

MR. DUNSFORD: And the interest, too?

The TREASURER: Of course. But those are matters of detail that we can deal with when the Bill gets into committee. We are now on the second reading, and I am confining myself, as far as I can, to the principles of the Bill. For the reasons I have given, and without taking up further time—for I think the desirableness of the Bill must be obvious to every member of the House—I move that the Bill be now read a second time.

The Hon. J. R. DICKSON: Everyone who has considered the large amount of trouble and anxiety and embarrassment which the affairs of the Queensland National Bank have given to the present Government must feel that they are entitled to a large amount of sympathy for the work which has been imposed upon them, not through any maladministration of their own. It is owing to the faults of former Governments that, in addition to the ordinary administration of the colony, they have been saddled with a very large amount of extra work and anxiety in connection with the Queensland National Bank. Therefore, in dealing with this measure to-night, which I regard as one of very great urgency indeed, and which certainly justifies the action already taken by the Premier in moving the suspension of the Standing Orders, the Government may fairly claim that party spirit should be laid aside for the time, and that we should enter upon the discussion of the measure with a desire to assist the best interests of the colony, and to give, I will also say, the institution itself a fair chance to continue to exist. Whatever faults of management there may have been in the past—and there undoubtedly have been—in connection with that institution, it would be a great disaster to the colony if its doors were allowed to be closed; and I say it is the duty of Parliament to consider the remedies proposed in a fair and generous spirit consistent primarily with a due regard to the general interests of the public. There is no need to consider the unfortunate shareholders, because they have ceased to be a factor in the administration of the bank; but it is to the interest of the colony to maintain alive an institution which has certainly been in the past—and we ought not to forget that—of vast benefit in expanding and developing its nascent industries. I only trust that under better conditions and in better times, and established on a sounder basis, it will be equally beneficial in the future; and I intend to assist the Government, by my vote to deal with the matter in such a way as will enable that to be the result. I am pleased that we have the report in our hands. It clears away a great deal of doubt and misconception which existed in my mind; and were I now speaking on the question without that report before me, my language would be of a quite different character from what I intend to say. Before Parliament could possibly express an opinion as to the prudence or otherwise of entering upon the consideration of guaranteeing the current account depositors, we had a right to understand from the report of the committee what the actual condition of the bank is, and how far any remedy that may be proposed will

be effective in carrying out the object we have in view. I intend to confine myself strictly to the Bill, and to the 22nd paragraph of the report, and I also intend to be brief in my remarks, although the report opens up a very large field for discussion. I trust the hon. gentleman will, as I have no doubt he will, fulfil his promise to place before us additional and much larger legislation on this subject during the ensuing week or fortnight, so that the administration of the bank, both past and prospective, will be capable of receiving full consideration by the House. This 22nd paragraph justifies the Government undoubtedly in proceeding on the lines they have done, in asking Parliament to guarantee the current account depositors. I may say that while I receive the report of the committee with very great respect, theirs is hardly the view I take. I consider that the commencement of a guarantee is very unwise on the part of the State with a trading institution until we know how much further we have to go. No one can possibly say, from the short time which has been allowed for the examination of the report and the tables appended to it, what further assistance the State will have to extend if its doors are to be kept open. Let us not deceive ourselves that this is the final instalment of legislation, or even the largest portion of legislation we shall have to deal with in connection with this institution. When we once commit ourselves to the guarantee principle, guaranteeing even a section of the constituents of the bank, we must look beyond the small temporary depositors of £600,000. It is to the big depositors of the £4,000,000, who at maturity may insist on withdrawing their deposits if any measures we pass should exasperate them. I do not wish to occupy the time with a discussion of the demerits of the guarantee system, although I could give some very interesting details which would show that, although plausible in appearance, it is bad in its results. I will merely say that in this case I would have preferred some other remedy. I have already suggested it to the Premier. I would maintain the *status quo* and enlarge the scope of the Act of 1893, giving the current account depositors priority on the general assets of the bank. That would have relieved the State of a direct guarantee, because the Government would be asked to do nothing beyond withholding their grasp on the assets of the State.

AN HONOURABLE MEMBER: It is just the same.

THE HON. J. R. DICKSON: It is not. One is a direct guarantee which will have to be implemented, while the other is only withholding the grasp of the State on the assets of the bank; and that grasp, or iron hand, is one which it may be impolitic to exercise, even though the State possesses the right. I question if the bank were in liquidation now whether it would be desirable that the State should step in and absorb everything to the exclusion of the current account and deferred depositors. By maintaining that position, which is a very proper one, we can force the deferred depositors to a line of action which they would be reluctant to take. The line is to give extended terms to the institution at a reduced rate of interest; but if they insist on their pound of flesh or the withdrawal of their deposits—

THE SPEAKER: I think the hon. member is going beyond the provisions of this Bill.

THE HON. J. R. DICKSON: I only wished to point out the action of the guarantee. A guarantee given by the Government has a reflex action on the holders of deferred deposits; and we cannot consider wholly apart from the condition of the deferred depositors what the effect upon them will be by the guarantee of the current deposits now asked. I think I have said enough to show what I believe would have been a more prudent course of action; but as a direct

guarantee is recommended by the committee, I do not press the objections I would have had if we had not been in possession of the report. Dealing with the Bill based on the report, I do not learn what the amount of the guarantee is to be.

THE TREASURER: That is a matter to be dealt with in committee.

THE HON. J. R. DICKSON: But it is just as well on the second reading that matters of that sort should be pointed out. I think it would be a justification for the State entering on the guarantee if it were limited to the amount of the Crown debt, and the guarantee were made a first charge on the assets of the bank. I understood the Treasurer to say that if the bank happened to close its doors the guarantee would lapse. On the contrary, it would then become operative. I will not say there is a probability, but there is a possibility that things may occur which this guarantee would not cover. It does not cover bills payable or several other direct and immediate liabilities which will have to be provided for. We may infer that they have liquid assets to discharge these liabilities, but we must bear in mind that if the guarantee is once given, it will have to be implemented to its full strength, and increase the amount of the Crown debt. I do not wish to delay the House, but I reiterate that, once committed to the guarantee, it is possible that we shall have to considerably enlarge it before we resuscitate the bank or place it in that secure business position it should occupy. There is no doubt that public confidence is the very life-blood of financial institutions, and that the public are especially sensitive to any Government intermingling itself with the affairs of a bank; and much as we may desire to curtail discussion, whatever action we may take, the bank will be to a certain extent prejudiced by this debate; and until it is placed in a secure position in connection with a general rearrangement with its large creditors, so long will it be, like Mahomet's coffin, between heaven and earth, in a comparatively comatose state, and not looked upon by the public as an ordinary banking institution. I intend, however, to support the Government in giving relief in the direction recommended by the committee, and I trust that in the early future we shall have before us a measure which will enable us to deal more fully and satisfactorily with the affairs of the bank.

MR. GLASSEY: I wish to make a few observations on this exceptionally important measure, and I shall be as brief as possible. I indicated this afternoon that I would not offer any opposition to the principles of the Bill; and though the report of the committee, which is now in our hands, is rather painful reading I still view with favour the legislation proposed, and will endeavour to assist, as far as possible, in getting the measure through in as complete a form as possible, consistent with the affairs of the important institution with which we are dealing, and also with the view of safeguarding the interests of the public. Viewing the matter as I do, I shall, of course, approach it calmly and free from party spirit. A great deal was said during the afternoon discussion about party, but I must say at once—and I speak on behalf of the bulk of my friends—that on a great question of this kind, a question in which the whole interests of the people are concerned, members on both sides should rise above party considerations and deal with it in a cosmopolitan spirit and with a desire to conserve the happiness and welfare of the people.

HONOURABLE MEMBERS: Hear, hear!

MR. GLASSEY: But if I were inclined to deal with the question in a party spirit, I must

say that if ever I felt proud of my party it is to-day, because in season and out of season during the last few years, without any desire to injure any institution or any industry in the country, this party has contended that the affairs of the institution with which we are now dealing merited full and thorough investigation. And what was the reward we obtained? The reward of vilification, abuse, and slander of the most scurrilous nature has been heaped upon the party individually and collectively. If I were inclined to deal with the matter from a party standpoint, I would say that if ever there was a party that had gained a moral and political triumph, it is the one with which I am allied at the present moment. In 1893, during the discussion on this same institution, this party urged a close investigation into its affairs, and the adoption of some means by which the interests of the current account depositors should be conserved. How were we met? By virulent opposition and abuse, instead of by friendly compromise or adoption of the views we then held. However, after three and a-half years' experience, it is demonstrated beyond the possibility of dispute that the policy which we then advocated was the correct one, and that is the policy which the party now in power have been obliged to accept and adopt as a whole. Coming now to the Bill, I wish to refer to one or two defects which appear in it. I think I mentioned these matters to the Treasurer yesterday when he was good enough to invite me and a few of my friends to meet him for the purpose of dealing with this important matter. I do not favour that portion of the Bill which guarantees the fixed depositors who have come in since the reconstruction scheme. That is an element altogether foreign to the Bill, and I hope when we come to deal with the matter in detail the Treasurer will give that matter that consideration which it deserves, and possibly defer the question until we deal with the new scheme as a whole. Another matter to which I wish to refer briefly is the time limit. Section 4 stipulates that there should be a continuous guarantee, with three months' notice of termination. That, in my judgment, is not a correct provision; I also mentioned that matter to the Treasurer. Certainly the guarantee should not run for more than six months, in order that the institution may receive time to put its affairs in order temporarily. There may be other small matters of more or less importance to which I will refer when the Bill reaches the committee stage. I must say, in conclusion, that I trust the debate will be conducted in good temper; that hon. members on the other side will be a little patient and show their forbearance in discussing a great question of this nature. Some little things may be said which may ruffle the temper or upset the equilibrium of hon. members, but I hope they will discuss the whole matter in a spirit of generosity and good feeling, so that when the Bill has passed through both Houses no bitterness will be left behind, and the results of our labours will be for the benefit of Queensland as a whole.

HONOURABLE MEMBERS: Hear, hear!

Mr. CROSS: I think, with the leader of the Labour party, that we should approach this question in a temperate and calm spirit. I believe the Government are perfectly justified in making this proposal to tide over a very serious difficulty for our biggest and one of the most useful of our banking institutions. I would not now be allowed to make any comments on the past management of the bank. For weal or woe it has been involved in all kinds of trade and business operations in the colony. Its ramifications have spread over the entire colony, and every person in the community is more

or less interested in the welfare of the institution. Therefore anything which would prevent the bank being carried on and assisting in the recovery of commerce within the colony, slow as that recovery is, would be a great disaster, and a grave responsibility for us to undertake. I have heard hon. members often speak on this question, and the remarks which fell from the hon. member for Bulimba and one or two others to-day have been a peculiar satisfaction to me. On one occasion, when speaking on the question of the bank and its current accounts, I was assured that the assets would always be available to meet them. In this particular case the assets, although they are there to a certain amount, could not be realised under the present circumstances, and because they could not be realised readily, the committee have made this recommendation, and the Government have brought in this proposal. I hope that the Secretary for Public Lands will take this lesson to heart as one of those wholesome things that come with experience to young politicians.

The SECRETARY FOR PUBLIC LANDS: Why particularly me?

Mr. CROSS: The reason why I refer to the Secretary for Lands is that he interjected, when I was speaking upon another occasion upon the question of the current accounts, and said that the bank could not pay the current accounts in gold, "Have they no other assets?" inferring that there were assets that could be immediately realised if the demand were made.

The SECRETARY FOR PUBLIC LANDS: That was your inference, not mine.

Mr. GLASSEY: It is a natural inference.

Mr. CROSS: To verify the words I will refer to *Hansard* of the 9th July.

The SPEAKER: The hon. member cannot read from a debate of the same session.

Mr. CROSS: I will have another opportunity, and show the Secretary for Lands that it was to him specifically that I was referring. I do not make these remarks in any unkind spirit, but mention the matter to show that upon that occasion I knew what I was talking about.

The SPEAKER: I must point out to the hon. member that he can neither read nor comment upon a speech made this session.

Mr. CROSS: It is just because the Queensland National Bank current accounts cannot be met that this proposal is before us, and I agree with it; and what is more, the popular idea appreciated by the hon. member I referred to is a delusion that the public mind ought to get rid of altogether. After reading the report I think the recommendation of the committee is the best one. The hon. member for Bulimba pointed out that there is another way of dealing with the matter—by giving current account depositors a preferential claim upon the assets of the bank, as provided for in the Act of 1893; but still my opinion is that the proposal of the committee is the best. Clause 22 of the report, which recommends this method, is more than justified by another paragraph which affords the strongest argument that can be brought forward in favour of the committee's recommendation; that is clause 13, which says that notwithstanding its heavy losses the bank has still a good volume of sound and profitable business, and this scheme should enable the creditors to realise 20s. in the £1. When a committee of gentlemen like these, after going carefully through the affairs of the bank, are prepared to suggest a proposal like this, we are only doing our duty and acting up to the highest sense of our responsibilities as trustees of the public money, in doing all that we can to keep the bank going, in order that the assets may realise their full value in time to come, and everybody may be paid honestly.

Without echoing the sentiments of my leader, I may say, that I think the majority of us are anxious that we should do something that will put things right again, and if possible restore confidence upon a sound and profitable basis. For these and other reasons I intend to support the second reading of the Bill, reserving to myself the right to deal with the question of providing for the fixed depositors who have come in since 1893. I do not see any justification for that part of the committee's report, and when this Bill gets into committee I shall give my reasons for opposing it. I congratulate the Treasurer upon his promptness in getting this report and placing the House in full possession of the particulars of the case, but it would be wise to consider the report carefully before we guarantee the fixed depositors since 1893. It does not necessarily follow that Parliament should adopt that part of the recommendation, although the guaranteeing of current accounts is a wise and necessary step under certain conditions, but I am not prepared to go further than that.

Mr. GROOM: I may urge as a very strong reason for supporting the second reading of this Bill, that in 1893, when we were asked to deal with the question of this bank, I assisted the then leader of the Opposition, Mr. Powers, in the introduction of a resolution into this Chamber to release the current accounts in the reconstructed banks, and I cannot but think that if that wise action had been taken, in which Mr. Powers displayed so much statesmanship, a great many of the disasters which have overtaken a great many of the colonies would not have happened. We cannot shut our eyes to this fact—and in saying this I do not wish to cast any reflections upon those who have had the management of the bank during the past three years—that the condition of the current account depositors has been, that while they have only been credited in the bank with $4\frac{1}{2}$ per cent., they themselves have been charged 7 per cent. for their own money, and in many instances within my own knowledge they have been called upon to give security even for the amount advanced from their own money. The fact that this has been done is conclusive evidence of the wisdom of the course suggested in 1893, and it is not very long ago since I had occasion to read correspondence which passed between a current account depositor and the late manager of the Queensland National Bank, which was of a most heartrending nature. That man was a depositor as well as a shareholder, and at one time he was in an independent position, but now he is almost begging for bread for himself and his family. Therefore, when I heard from the Treasurer that now we have occasion to consider the position of the bank, he is prepared to come forward and ask Parliament to guarantee the accounts of current depositors, I thought he was taking a very wise course, and I shall cheerfully support the second reading of the Bill. I only regret that the same course of action was not taken with the three reconstructed banks in 1893, because I think it would have been followed by very different circumstances from those in which we find ourselves at present. Of course it must be understood that in agreeing to the second reading of the Bill I in no way restrict myself in regard to what I may have to say when we are asked to discuss this report in detail. There is a great deal to be said in reference to the question as a whole when we come to consider it; because I am one of those—and I say it boldly—who think that those who were responsible for the crisis of 1893, and who are mainly responsible for the action which the Government are obliged to take at the present time, should not be allowed to escape scathless. The public have a right to more information

than is shown in the report, and I trust that information will be forthcoming when we come to discuss the report. On the present occasion I do not wish to disturb the good feeling which exists, and I shall conclude by saying that I cheerfully give my support to the second reading of the Bill.

Mr. DAWSON: Like the hon. member for Toowoomba, I have no desire to disturb the harmony of the meeting, and I cheerfully fall in with the wish expressed by several hon. members that we should discuss this matter in a non-party spirit—or, as has been said, in a cosmopolitan spirit. I hope hon. members do not mean by that that we are not to disagree with the proposals of the Government, because I do disagree with those proposals; and I hold that I have as much right to claim that my remarks are made in a non-party spirit as those members who agree with the Bill. The Treasurer, in introducing the Bill, said the recommendation of the committee in paragraph 22 of their report was the reason for the Bill being introduced in its present form and for endeavouring to put it through in the present manner. I have read the report as carefully as I could in the limited time at my disposal, and I have come to the conclusion that the recommendation of the committee contained in clause 22 does not appear to be justified by the findings of the committee in the whole of their report. The recommendation is absolutely inconsistent with the sum total of their investigations into the affairs of the bank, and of course it naturally follows that this Bill is distinctly inconsistent with that report. My own opinion is that this guarantee will not effect the object desired by the Treasurer and those hon. members who intend to support him in guaranteeing the current-account depositors and the fixed deposits since 1893, in order to avert disaster to the institution. I do not think that if they guaranteed twice the amount mentioned in this Bill it would prevent disaster overtaking the institution. Judging from the report, it is inevitable that the institution must close its doors, and the only effect this guarantee can have is to commit the colony to another £800,000 of indebtedness. I shall draw the attention of hon. members to one or two things. The committee point out the tremendous losses incurred by the bank. They appear to be so great as to make it utterly impossible for the bank ever to recover. They also point out—and this is the most significant point in the whole thing, and was emphasised by the hon. member for Bulimba, who is an old banker, or, at any rate, has had a very large experience in banking—they also point out that the institution has lost public confidence, and that no bank can possibly hope to keep its doors open once it loses public confidence. In the face of that are we justified, seeing we have over £3,500,000 now in the bank, in putting in another £800,000, so that when the inevitable day comes and the bank closes its doors, the only satisfaction we shall have will be that the Auditor-General will be compelled to discharge the painful duty of pointing out to the people of this colony that they have over £4,000,000 locked up in the bank? Of course it may be pointed out—and the hon. member for Bulimba has already referred to it—that the State to a certain extent, even with this extra liability, may come in as a preferential creditor; but the hon. member has already pointed out that no Government would dare come in as a preferential creditor and take the whole of the assets, leaving absolutely nothing for other creditors. What will be the inevitable result? They will simply come in as ordinary creditors, and probably get about 2s. 6d. in the £1—a very desirable result probably, in

the opinion of some hon. members; but that is not my opinion. I have no desire to see a single penny of the public money involved in the fate of that institution, which I regard as in a hopeless state. The gentlemen who have furnished us with this report have been considerate enough, and conscientious enough, to also furnish us with the system they adopted in arriving at their conclusions. When we examine that system it makes the affairs of the bank more hopeless still. I shall just take two instances to illustrate the point I am urging. The report says that the mining scrip has been taken at current market prices. Now is that anything like a reliable asset? Would any man in an ordinary commercial transaction put down mining scrip at its current market price? I never heard of such a thing before. It is preposterous. Read the *Courier* this morning, and you will see Queen Cross Reef stock at 17s. Next week it might be only 10s.; and yet it would be put down as a bank asset at 17s.

Mr. CROMBIE: Next week it might be worth 30s.

Mr. DAWSON: What would be unsound in a small business should be more unsound in a large business of this description. Another thing which strengthens my case is this: In determining the position of the bank, so far as its assets are concerned, in order to value properties in outside districts, in many instances, they arrived at the values on the reports of bank officials. A more absurd thing I never heard of. Those are two typical cases to show that the report of the committee does not reveal how bad the state of affairs really is. In the face of these facts are we justified in agreeing to this guarantee? I am reminded that the members of the committee have themselves to some extent anticipated this point, because they say that they have estimated the values on the basis laid down in the Treasurer's letter of appointment, "That the assets should be realised 'judiciously and not by forced sales,'" and they add that they wish to emphasise this point, "as the deficit would, of necessity, be largely increased by liquidation."

An HONOURABLE MEMBER: Yes; by "liquidation."

Mr. DAWSON: Many hon. members opposite have had pleasant experiences in business, have been successful business men; they know what sound commercial principles are and what transactions a company should deal in if its business is to continue a going concern and return a profit at the end of the year. I want to know from those gentlemen who have had this business experience and possess this knowledge whether they would, in connection with their own business, put a large amount of money into a concern that shows on the face of it that it is hopelessly ruined? Would they do so in their private capacity as successful business men? If they would not, what possible justification or excuse have they, or what little whisperings have they had to quiet their consciences and induce them to do that in their public capacity when it is not their own funds, but the funds of the general taxpayer they are dealing with? If any of those gentlemen address themselves to the question to-night I would like to hear something from them on that particular point. I have already said that I dissent from the opinion of the Treasurer that by guaranteeing the current account deposits and new fixed deposits in this way we will prevent ruin overtaking a large number of people, but even if the proposal is successful in that way there is another question to be determined: Whether, by securing the solvency of the customers of this institution in this way by means of State money, we may not involve more people in ruin than if we

were to let it go? It appears to me that the Treasurer has only looked at one side of the question—to safeguard the interests of the customers of this bank—and he is determined to do that at the expense of thousands of the taxpayers who are not in the bank, but who will have to "pay the piper." My own candid opinion is that it would be much better to safeguard the interests of tens of thousands of people outside the bank than to wastefully expend public money to protect the interests of the comparatively few who are inside the bank. By this proposal those who have got involved in this institution are not to run the risk of losing a single penny, but the unfortunate taxpayer has got to run all the risk. There is no benefit sticking out for him if he takes the risk. Not only that, but the fixed depositors who are guaranteed are not to lose even their interest. The taxpayer has got even to pay their interest. By bad business and bad judgment people have got themselves mixed up with a bad concern, and in order to cover their blunders and protect them from loss a charge is to be made upon the public revenue, and the tens of thousands of people outside the bank have got to pay it. If that is a desirable policy, I am not in favour of desirable policies of that description. Another point I would emphasise is covered by the question whether we are justified in keeping alive by means of public money an institution which must inevitably fall. Will we not, by doing so, create a false public confidence? Will not the fact that the Government are standing behind the bank to some extent, and are advertised as the protectors of this particular bank, be a practical invitation to persons who are now in a sound financial position to trust their fortunes to the future operations of the bank, and when the time comes for the bank to close its doors will we not have increased in this way the number of persons who will be ruined by the closing? That is a possible contingency, if there is anything like unanimity in this House in the passing of this Bill. That is a powerful reason for being careful before we pass such a Bill, and it is powerful enough to induce me to vote against the second reading. It did not strike the Treasurer probably; at all events, he did not mention whether we are to understand that if we agree to this Bill it will be considered part and parcel of a general policy of the present Government with regard to financial institutions generally. Or is this merely a special Bill to deal with one special institution and no other? We are entitled to know that before we are asked to pass the second reading. If I were a supporter of the Bill I could see no reason why every other institution of this kind, or every private firm that became involved, should not be treated in the same way, and the only possible stop then would be when the Government themselves became involved and went stone broke, and there would be no one to come along and guarantee them. I sincerely trust that the Bill will not go through in its present shape. I am very much inclined to think from the self-satisfied air of members on the other side that they are determined at all costs—notwithstanding the far-reaching consequences that may follow the passage of this Bill, and notwithstanding the utter ruin that may stare the colony in the face by continuing the unsound and unsafe policy we are doing—to vote for the second reading of the Bill. But I sincerely hope and trust that after they have done that they will reflect a little, and that before this Bill escapes committee it will be amended in very many particulars, and not go out in the drastic manner in which it is now placed before the House. I shall certainly vote against the second reading of the Bill.

Mr. JACKSON : I am rather surprised that some hon. members on the other side have nothing to say on a question like this, which is one of the most important that has ever been before the Parliament of Queensland. I am of the same opinion as the hon. member for Charters Towers, that we can, perhaps, hardly see the end of this matter if we pass this Bill without the Government getting some control over the bank. At present, under the Queensland National Bank Agreement Act of 1893, we have practically no control over that institution, though power is given by that Act for the Government, or the Treasurer, to inspect the books and records of the bank. As the hon. member for Charters Towers stated, this Bill practically means putting £800,000 more into the Queensland National Bank. In 1893, when we had legislation before us dealing with that bank, the then leader of the Opposition, Mr. Powers, advocated State control, and argued that inspection was not sufficient by itself. But we have had nothing of that sort, and we are not getting it under this Bill. The hon. member for Bundaberg disclaimed any desire to make a party triumph this evening, and he showed a considerable amount of generosity in making that disclaimer, because there is not the slightest doubt that there is an opportunity to-night to make a party triumph, if hon. members on this side were so disposed. We could point out that in 1893 the Premier and his colleague, Mr. Barlow, made an inspection of the books of the Queensland National Bank, and reported that the securities held by the bank were of the full value they were reported to be. But we find now from the report placed in our hands to-day that there is a difference of nearly £2,500,000 between the values of the securities as shown by the bank and the values as estimated by the committee. If we wanted to lay emphasis on this fact we might ask what this particularly able Government have been doing during the last three years, with the powers of inspection which they have, to allow such a state of things to go on as has gone on up to the present time? But I, for one, like the leader of the Labour party, do not intend to deal with that point. I am rather disposed to treat the Government generously. We do not want to discuss this question from a party point of view. It would be very wrong of the Labour party to discuss it from a party point of view. What we have to consider is the interest of the country, the shareholders, the depositors, and the people generally, because every resident of Queensland is interested in this bank, in which we have a large amount of public money deposited. As a proof that the Labour party are not treating this measure from a party point of view I need only point to the fact that when the suspension of the Standing Orders was moved there was practically no opposition from this side of the House. There was no lengthy debate. Of course a vote was taken, and we voted against the motion, but there was no attempt to stone-wall it. I have mentioned that there is a large amount of public money deposited in the Queensland National Bank. In 1893, the amount was £2,394,000; in 1894, it was £3,222,000; in 1895, £3,540,000; and on the 30th June, 1896, £3,404,951. I believe the amount has been less quite recently. According to the last quarterly returns it was less by some £300,000 or £400,000. I just give those figures to show that every individual in Queensland is very much interested in the solution of this banking difficulty, and I am sure it will be a satisfaction to the people if we can come to some conclusion as soon as possible. I do not think I shall vote against the second reading of the Bill. One has not had very much opportunity to make up his

mind on the question. No doubt the Premier made some overtures to the leader of the Labour party and other members to meet him for consultation a few days ago, but for all that nothing definite was really placed before us until last evening very late. I only had an opportunity of seeing the Bill about 12 o'clock last night, and as this report was only placed in our hands this afternoon we have had scarcely more than half an hour to look through it; so that it is difficult to come to a decision on the Bill. But I suppose that before the debate closes one will be able to decide what to do. I notice that the report only recommends a temporary guarantee, while the Bill provides for a permanent guarantee.

The ATTORNEY-GENERAL: It must be temporary. It is a mere matter of form.

Mr. JACKSON: I think the Government are not justified in providing for a permanent guarantee. Another point is, what is meant by the term "current account"? I know that the interpretation clause says it means "any sum of money standing to the credit of any person," etc.; but I would like to know whether an overdraft would be considered a current account, because if one individual gave a letter of guarantee to another that he would be responsible for an overdraft of £500, the person getting the guarantee would be entitled to draw up to £500 on that guarantee.

The SPEAKER: Order! The hon. member is asking for an explanation of the term "current account." That can be given in committee.

Mr. JACKSON: The principle of the Bill is the guarantee of current accounts, and it seems to me that if we cannot debate what current accounts are, we cannot debate the principle of the Bill. However, if that is your ruling I shall have to leave it over till we get into committee. I quite realise the importance of this Bill. Of course, the effect of a run on the bank by current account depositors would be a serious thing if not checked. It would mean the loss of £800,000 in gold, if that amount of gold were in the bank; it would also mean the loss of the business attached to these current accounts, and that would be a much more serious loss than the temporary loss of the gold. There is no doubt that credit, as the report says, is an asset without which no bank can live. If it were not for credits, banks would make no profits. A good many people are under the impression that banks make money by borrowing on the one hand and lending on the other, but that is a mistake; it is the credits they are allowed to issue by which they make their money. I would very much like to have seen provision made in the Bill for some Government control over the bank, because that would have removed my objections.

Mr. LEAHY: That will come in next week.

Mr. JACKSON: I think it ought to be in this Bill, by which we are practically asked to vote £800,000. The only check the State has had for the last three years since the reconstruction has been the power to withdraw £100,000 every six months, and I should like to see an attempt made by the leader of this party to get an amendment inserted in this Bill giving the State sufficient control over the bank.

Mr. TURLEY: If this question goes to a division I shall vote against the second reading, because if this guarantee is given I do not believe we shall have seen anything like the last call that will be made on the country to come to the rescue of the Queensland National Bank. As was pointed out by the hon. member for Bulimba, there was an alternative scheme whereby the Government could have created sufficient confidence in the people doing business with that institution by simply giving them priority over

the Government itself in regard to their accounts. That would have enabled the business of the country to be carried on, and would not have made the colony responsible for another large sum of money to be placed in that institution before we have the slightest idea of what other arrangements the Government are going to submit next week or the week after. This, perhaps, to a great extent has been brought about by the trust placed in the Government in 1893, when we had a report submitted by two gentlemen—one of whom was an expert—who were appointed to inquire into the position of the institution. I would like to call attention to the statement that was then made by one of those gentlemen, when he pointed out that he believed that everything was so sound in connection with that institution that it would not involve the colony in any expenditure. On the 22nd June, 1893, the then Secretary for Lands, Mr. Barlow, said—

“My hon. friend and I investigated the whole concern very closely, and I do not regard this in any way as an *ad misericordiam* appeal for the sympathy and consideration of the House. It has not claimed our sympathy on account of its services to the Government or anything of the kind. We think this Bill embodies a fair and equitable arrangement under all the circumstances. Our opinion is founded upon a careful investigation, and our opinion is that there is behind the Bill that which will enable it to be carried out.”

Had it not been for that statement submitted by the Secretary for Lands and the Prime Minister, the measure would have received more opposition than it received on that occasion. And now where are we landed? We are compelled to come to the rescue of this institution. We know very well that the Treasurer said he did not want to come to the rescue of the institution, but it was simply because there were a number of persons interested in the institution who would be ruined in the event of the Government not coming to its rescue. It seems to me there is a great deal of sentiment imported into this question which should not be imported into it. Two or three years ago I remember a bank manager, addressing a half-yearly meeting, said that in banking there was no sentiment whatever, but since then a great deal of sentiment has been imported into the consideration of the affairs of this institution. If it could be shown by hon. members opposite that this is the fullest extent to which the colony will have to go, there might be some reason in supporting this measure, but we have no such guarantee. We know absolutely nothing but that at present it is expedient that these things should be done because certain persons are interested in the institution. When a person gives a guarantee he knows that he may have to meet it—that in the event of the person concerned not being able to meet the bill or whatever it is, he undoubtedly has to stand in and meet it. We, of course, must accept the full responsibility of that portion of the business, but at the same time we cannot foresee what the after effects may be, as pointed out by the hon. member for Bulimba. That hon. member has already intimated that some little time after this the State may be asked to step in again and do something of the same sort. We know that there is never any end to this system when once it is begun. In 1893, when some system of guarantee was suggested, the members of the Government decried the system of guarantee altogether. I remember the hon. gentleman at the head of the Government stating openly that he would rather raise the money on his own responsibility than allow the Government to take part in any guarantee in connection with this institution. Now, the Government have come down and subverted the whole of their policy of 1893, and advocated the exact proposition to which they then said they were opposed. I believe the House will make

a mistake in passing this measure. Even now the Government have time to withdraw from the position they are in. They would have time to institute another scheme foreshadowed by the hon. member for Bulimba, and allow this institution to carry on with the same amount of confidence without any guarantee from the State. If the question goes to a division, I shall vote against the second reading.

Mr. FINNEY: I wish first to compliment the leader of the party opposite upon his conduct here to-night, and upon the temperate manner in which he has approached this subject. He dealt with it most dispassionately and coolly, without any show of party feeling, declaring that he was prepared to deal with the matter as a great question and in the interests of the country generally. The hon. gentleman has shown me better than he has ever shown before that he is qualifying for the position of Premier of this colony, because the man who occupies that position must be one who can approach great questions in a calm and disinterested manner. I wish to point out that the report was placed in the hands of hon. members before they were asked to legislate. It would have been most unfortunate and undesirable if members had been forced into legislating upon a question that they were actually not familiar with. As far as I can judge, the committee have done their duty fearlessly and well. I do not intend to say much more; but I think that the people who have put money into that bank since the reconstruction should receive different treatment from those who were involved before then, and who accepted deferred receipts for their claims upon the bank. Upon that ground I feel that I am justified in supporting the legislative action proposed to be taken, which will prevent a rush upon the bank to-morrow morning. We must all look at the fact that if the bank stops, hundreds of people will be thrown out of employment all over the colony, business will be crippled, and it will be a great misfortune to the whole community. The Government propose to give a guarantee so that the current account depositors will not feel that there is any necessity for them to take their money out, or else have it locked up for years. They would draw it out instinctively if they did not feel that they were safe in leaving it there, and upon that ground I am glad to see so many hon. members on both sides of the House of the same opinion. It is only a temporary step; it may not involve any loss or the payment of any money at all, because if the money is drawn out there will be nothing to guarantee.

An HONOURABLE MEMBER: What about overdrafts?

Mr. FINNEY: The Bill does not touch overdrafts at all, but only current accounts that are in credit. The report also recommends Government supervision of the bank, and I believe the Treasurer intends to introduce further legislation next week dealing with the whole matter. I feel that in supporting this measure I am not committing myself to anything further than I do not approve of. I will treat any other legislation, as I do this, entirely upon its own merits. The object of this Bill is only to inspire confidence, and I trust that it will have that effect. We are justified in expecting that it will prevent a rush, and the bank will have time to place further propositions before the public; but if further satisfactory arrangements cannot be made, I admit that it would be better for the bank to stop altogether. It is to be hoped that there will be no obstacles in the way of placing the bank upon a sound foundation for the future, for, although the report is not very encouraging, it is not without hope. Those who

have become creditors since the reconstruction have a right to be protected, because if they are not they will draw their money out of the bank, and leave it in a crippled state. The hon. member for Charters Towers asked if any business man will put large sums of money into an insolvent concern. I say, certainly not; but if a business man were a creditor in a large estate he might see that it would be better for him to pay off the other creditors than let the estate be wound up by a forced sale. The Government are already such large creditors in the bank that they cannot help themselves, and in protecting the public interests they do their duty. I will support the second reading of the Bill.

Mr. DUNSFORD: No doubt this Bill will be passed, but since I am opposed to it I may as well give my reasons. If it is to become law it is as well that it should be passed before we rise to-night; and seeing that it is necessary we should come to a conclusion soon, I shall be as brief as possible. It appears from the remarks of those who are in favour of the Bill that its object is to restore confidence in this institution, but I deny that this measure will have that effect; in fact, it will prevent new business being done, because no business man, knowing that the current account depositors are guaranteed, would place his money there. He would not be guaranteed, and he would be very foolish to have any business with the bank while the guarantee is in force. I think the Bill will defeat its own object, because that object is contingent upon the holders of deferred deposits falling in with the recommendations of the committee, which is that they are to sacrifice their deposits, and become shareholders. So that there is a big "If." People in Great Britain and the colonies are to sacrifice £4,000,000. In addition to the current account depositors, we have also to consider the State coffers and the very much fixed depositors, whose combined deposits come to over £8,000,000. This scheme will not protect them, because confidence is already lost; and the House will not be justified in agreeing to this legislation if the bank will only remain open for a few months. According to the report, it is absolutely necessary that the bank must shut. I do not for one moment believe that the holders of deferred deposits will fall in with the proposals of the committee. The current account men should be protected in some way, but I do not think this is the best means of doing it. The idea mooted by the hon. member for Bulimba is a good one, that we should amend the Queensland National Bank Agreement Act of 1893, giving the current account people a prior claim even to the State. If the bank is to be wound up that would be only temporary. At this stage in our banking history the State should step in and make a State bank, but we are not proceeding in the right direction by attempting to bolster up this bank, which is in a rotten condition, a little longer. If a man has an abscess on his body, he does not put a piece of sticking-plaster on it, but we are proposing to put a piece of sticking-plaster on this bank. We should see how we can best turn this into a State bank. There will be a liability to the State, including this £800,000, of £4,350,000, and then there is the liability of £4,000,000 to depositors, making the total liabilities between £8,000,000 and £9,000,000. If there was compulsory liquidation the fixed depositors would be in no worse position than they are now. I do not think the State would be justified in asserting its prior claim. It should come in with outsiders, and liquidate the affair, even if it meant a loss to the State of £2,000,000. The first loss I believe would be the best. If we then turned the bank into a State institution, and did away with the political influence which unfortunately has

attached to the bank in the past, we would restore public confidence. Until we do something of that sort, I am afraid there will not be that confidence which the Treasurer hopes to bring about by this Bill. This is another little bit of panic legislation. Perhaps it may be the best means the Government can devise at present, but it is simply putting off the evil day. That is what we have been doing in all our financial legislation—hoping against hope that a boom or something else would take place and get this bank out of its difficulties. I would ask hon. members to remember that this guarantee will increase the liability of the bank to the Government to £4,350,000; and, whilst considering the current account men, we should not lose sight of the State and of the unfortunate fixed depositors.

Mr. HARDACRE: I do not rise with any special hostility to the second reading, because in 1893 I was one of those who urged and also voted for the release of the current account deposits. The strange thing about the division on that question was that the whole of the members on this side voted for the release of those deposits, and the whole of the Government party voted against the proposal, and now the Government are endeavouring to do what they then voted against. So far as the second reading is concerned, the principle of guaranteeing the current accounts is a desirable thing. They must be guaranteed sooner or later. A large number of business men keep their liquid capital in this bank, and the State cannot afford to allow business to be dislocated by the locking up of this money. But I certainly will not support the final passing of the Bill unless some further provision is made for securing the colony against any loss on account of the new liability which it is now proposing to take upon its shoulders. We are practically called upon to throw another £800,000 into the Queensland National Bank. We had £2,000,000 in the bank in 1893; since that time another £1,900,000 has been placed in the bank, and is now practically locked up there—not by an Act, but it is impossible for the Government to withdraw that money.

The TREASURER: According to you the Treasurer would not be able to pay a single penny.

Mr. HARDACRE: I have the public balances here, and according to them, in addition to the £2,000,000 we had in the bank in 1893, we have, taking London and Brisbane together, another £1,623,000 as a current account. If we tried to withdraw that money, it would mean that the bank would immediately close.

The TREASURER: Are we not drawing it every day?

Mr. HARDACRE: In small sums, and only a little while ago the Government proposed going to London for a new loan. That shows that they cannot operate upon the current accounts. The current cash account in the bank is only—coin £387,000 odd; and gold and silver bullion, £109,000; making a total of liquid assets of about £497,000. It is possible that there may be some amounts out as short-dated loans, but not enough to pay the public balances of the Government. We have no security in this Bill that the money lying at the bank will not be used to pay current account creditors, to make new advances to new customers, or to extend the overdrafts of people who are already borrowers from the bank. In that way the current cash account may be depleted, and we may be called upon to meet a liability without any provision at all to meet it. In the Treasury Notes Act we have a provision that the Treasurer's coin reserve shall not fall below a certain amount, but there is no provision in this Bill that the money in the bank shall not fall below a certain

amount. We back our Treasury notes again by Treasury bills, so that if we were called upon to meet a liability with depleted coin reserves we should have Treasury bills to sell, but there is no provision of that kind in this Bill. Suppose there was a depletion of the liquid cash in the bank I do not know how we should meet the liability for this £800,000 we are now called upon to incur. The money already in the bank is entirely different from the new amount we are to guarantee. We will have to raise this new amount somewhere as the consolidated revenue cannot meet it, and we have no provision for Treasury bills to meet it. The Bill is of a most flimsy character for carrying out the object for which it is introduced. While supporting the second reading I shall expect before it is finally passed that we shall have some statement from the Treasurer that there shall be a Government director in the bank to watch over this guarantee and generally over the interests of the Government in the bank. We must not only consider the trading community but the finances of the colony as well, and there must be some further provisions in the Bill before I consent to its final passing.

Mr. SIM: I desire to make plain the course I intend to follow in this matter, in following the example of my leader and voting for the second reading of this Bill. I am, like the gentlemen who have submitted their report upon this bank, in opposition to the principle of a guarantee by the State of private institutions. I believe that to be a commercially unsound principle, but there may be crises in the history of a people when things require to be done which cannot be justified upon sound commercial principles. I intend to support the second reading, because this report has been prepared after a very stringent investigation of the affairs of the bank by four gentlemen appointed by the Government for the purpose, one of whom, the Auditor-General, enjoys to the fullest extent the confidence, not only of Ministerialists, but of the party to which I have the honour to belong. I believe that that gentleman, in recommending, along with his colleagues, that this Bill is necessary in order to avert what most people will regard as a public disaster, was expressing the full sentiments of his mind, and that as desperate diseases require desperate remedies it is the duty of this House, in the painful circumstances in which we are placed, to avert the impending crash which will not only injure a few individuals with whom there is little or no sympathy on this side but a large number of those in the colony who are painfully earning their bread and butter. For that reason, because I believe that this legislation, undesirable as it is, will have the effect of preventing widespread ruin, and give this institution some opportunity of retrieving the past, I shall vote for the second reading. In doing so I beg to disclaim the slightest sympathy with the institution itself. I consider that the shareholders who have drawn out of this institution a sum in excess of the value of their shares of £2 odd out of what are called in this report "fictitious profits," deserve no sympathy from this House or from any honourable man. I have no sympathy with the directors who have permitted the withdrawal of money to pay profits out of "fictitious profits," or with men who have left the institution in such a state that this House may be called upon to make a separate inquiry into the question of its past management. I make it perfectly clear that I vote for the second reading of the Bill, believing it to be commercially unsound and containing a principle which I should be sorry to see introduced into this House again, simply in the belief that the interests of the colony demand such a measure

and that it will give a certain amount of relief not only to a few individuals with whom I have no sympathy, but to the whole community.

Mr. O'CONNELL: I intend to support the second reading with the proviso that the position of the Government under clause 5 shall be made clear. That is all I shall say now.

Mr. McDONALD: I wish to state distinctly that I recognise the gravity of the position which has been the occasion of the introduction of this Bill as much as any man in this Chamber, and am prepared to take the consequences, either inside or outside the House, of the vote I am about to give. On various occasions I have brought this matter before the House, but in spite of the slanderous statements made from time to time against myself and this party generally by the Press and by others who are politically opposed to us, I do not intend to allow those things to influence the remarks I am going to make. The Premier has already intimated that we are to have further legislation on this subject at an early date, and I am prepared to take the full discussion of the matter when that legislation is before the House. There were certain statements made in 1893, when the bank was in the same unfortunate position as it is in at the present time, and those statements were made either through gross ignorance or wilfully to mislead the House. I am not going to say which is the case, but those statements have got to be cleared up when this further legislation is introduced. Concerning the guarantee, I should like to know whether this is the last we are to hear of the State funds being used in the interest of this institution. If I thought that the £800,000 we are asked to guarantee would be ultimately thrown away, and that by wiping out the £2,000,000 or £3,000,000 we have now in the bank the House and the colony would be freed from the fetters and shackles of this political institution, I would willingly give my vote for that purpose. When a financial institution becomes a political institution, and has such a grasp of the Government of the day as this institution has had, it is a standing disgrace to the colony. Will the £800,000 we are asked to guarantee meet all demands? Will it be sufficient to place the business of the bank on a sound basis? I maintain that even with this guarantee no man with any pretensions to business ideas would keep his account with the bank. He would say, "Why should I be worried in connection with these matters? Why should I not go to some other bank that is in a sound and solvent condition and be relieved of all this worry, trouble, and anxiety of the solvency of my firm depending upon the solvency of any financial institution in the colony?" And it would be far wiser for any business man to adopt such a course. I am pleased that the report of the committee has been laid on the table to-day, because there were a number of members on this side of the House, among whom I was one, who had determined not to allow this legislation to go through until that report was before the House. The amount of sympathy and sentiment that has been introduced into this matter is entirely uncalled for, and we are more likely to be carried away by that sentiment than influenced by sound business principles. We have been told repeatedly that we must accept this legislation, or widespread ruin and misery will follow, and the colony get into such a state of insolvency that it would never recover. Such statements are simply ridiculous. Will anyone tell me that a colony like this, with a grazing capacity almost unlimited and with agricultural lands that will grow anything, would be ruined if the bank went into liquidation to-morrow? I refuse to believe anything of the kind. I believe that

if the Queensland National Bank, and every other bank in the colony, went into liquidation to-morrow the colony would still survive and flourish. And I say further that until the Queensland National Bank, as a political institution, is wiped out from the history of the colony we shall always have a millstone round our neck which it will take years to shake off. I thoroughly approve of the suggestion of the hon. member for Bulimba that it would be far better to make the current accounts for which this guarantee of £800,000 is asked a first charge on the assets of the bank in priority to Government claims than to adopt the course here proposed, and I shall try to get that introduced into the Bill in committee. I intend to vote against the second reading of the Bill, for the simple reason that I do not think the Government, or any body of men exercising the responsibility which devolves upon members of this House, have any right to further embarrass the State, and increase the burden of the taxpayers to the extent of £30,000 or £40,000 per annum by placing an additional £800,000 in the coffers of this institution. The taxpayers have no right to be saddled with this extra amount, which will make the bank's indebtedness to the Government something like £4,000,000, and for the reasons I have given I shall vote against the second reading of the Bill.

Mr. MACDONALD-PATERSON: I regret very much having heard the observations made by the last speaker, which I attribute entirely to his want of experience in the operations of commercial life. It is a matter for deep regret that he should speak as he has spoken to-night. What sorrow it will bring to the hearts of many of them when they hear of him saying, "Wipe out the bank." The hon. member said that the agricultural lands of the colony were the resource for those injured by the bank. We have had that doctrine preached over a third of a century, but as a resource for the support of the colony the agricultural industries and lands have done nothing. But for the Queensland National Bank agriculture would now be a myth in Queensland; and I am sorry to hear the hon. member argue in opposition to the second reading of this Bill. Surely hon. members understand that the guarantee proposed is practically a myth.

Mr. KERR: Then why bring it to the House?

Mr. MACDONALD-PATERSON: It means, as I understood the Treasurer, that we guarantee the maximum amount of current accounts in credit from the 1st September up to the time this Bill becomes an Act.

Mr. BROWNE: Read the Bill.

Mr. MACDONALD-PATERSON: That is the spirit of the Bill; and if it were not that I would vote against it. Moreover, the Treasurer takes the right, in the event of any disaster overtaking the bank in the near future—which I trust will not be the case—to step in and recover the whole amount of the guarantee. The whole matter is a mere sentiment, but a good sentiment. Trade, commerce, finance, and the other operations of life are influenced very much by sentiment; and if we cable to London that the Government guarantee the operations of the new business of the bank it will have a most wholesome and beneficial effect not only on the bank but on the whole colony. I have no doubt that the Government very much regret having had to take the responsibility of bringing in this Bill; but they have done right in bringing it forward, and every man who has his heart in Queensland, and cares for its prosperity and reputation, and for the reputation of the whole of Australia, will back up the Government in carrying this measure through as quickly as possible.

Mr. KIDSTON: As I recognise that whatever is done in this matter should be done quickly, I will not detain the House long. I mean to vote for the second reading of the Bill; and I wish to explain that in doing so I do not commit myself to what may be proposed afterwards in connection with the bank. In reference to a remark made by the hon. member for Flinders, I wish to state that the interests of this institution do not affect my mind. I believe that in supporting the Bill I am taking such action as will conduce to the well-being of the people I represent. I consider that the committee appointed to investigate the position of the institution was as capable a committee as could have been appointed under the circumstances, and I think the Government have acted wisely in presenting the report to the House at once, because it has very much facilitated the business before the House. When I read paragraph 22 in that report, practically recommending the legislature to take this action, and also paragraph 9, which intimates what the consequences will be if we do not take this action, it seemed to me that we are in this position: That if we do not take this extreme step we will incur the very grave risk of closing the bank. It has been said by some speakers that if we take this step we practically saddle the taxpayers with another £800,000. I believe that is incorrect. At the worst, I do not believe that the liability of the Government will be at the outside more than £250,000. That being so, it would be very unwise indeed to risk the very serious consequences which might result from not accepting this scheme. Personally I doubt very much whether the passing of this Bill will increase the liability of the colony at all. I would also like to say that, comparing the alternative scheme of the hon. member for Bulimba with that presented by the Government, I am unable to see any real difference. Under the scheme of the hon. member for Bulimba the liability of the current accounts would be made a first charge on the assets.

The Hon. J. R. DICKSON: In advance of the Government claim.

Mr. KIDSTON: That will be exactly the position under this Bill. The Government have a claim, and it has been said that for all practical and business purposes the Government, in the event of the worst happening, are very unlikely to enforce their claim. So that I do not think between the two schemes we have much to choose in the matter of liability, while there is a great deal to choose so far as giving confidence is concerned. I think the plan proposed by the Government will be much more effective in establishing confidence than the scheme of the hon. member for Bulimba. There is one thing in the scheme of the Government which I rather object to; that is the matter of securing the fixed deposits. I see the need of guaranteeing the current accounts, but I am quite unable to see the urgent need for securing the fixed deposits. I understand that the Treasurer will not insist upon that feature of the Bill. It might also be stipulated, to simplify the matter, that in the event of the worst happening the Government might have a prior right. I do not wish to detain the House; I only wished to say a word in justification and explanation of my support of the second reading of the Bill.

Mr. BROWNE: The hon. member for North Brisbane has said that he hoped the division would be come to instantly, and that it would be better if members understood the question. It is a great pity that the hon. gentleman, if he wishes to support the Government, did not come here earlier and explain matters to us, so that we might have understood the Bill. In that case

business would have been much facilitated. Although on this occasion I shall be voting in opposition to my friend the member for Flinders, yet I cannot agree with the hon. member for North Brisbane when he accused the hon. member of want of sympathy with the people and want of knowledge of the country. From what I know of the hon. member he has as much sympathy and knowledge of the country as the hon. member for North Brisbane. As for the people of the Flinders weeping and bemoaning what the hon. member has said, let me remind him that the member for Flinders enunciated the same opinions all through the last Parliament. He was always contending that the institution was a clog on the country so long as it was a semi-political institution; that it was doing more harm than good, and that it would be a good job to wipe it out altogether. At the first election on which that hon. member was returned he had the small majority of twelve or thirteen. At the last election, although he had to fight a candidate selected by the Government and the political association, he came back here with a majority of 200. I do not think that shows that the people have lost confidence in the hon. gentleman, and go about weeping and wailing because of his opposition to the bank. The hon. member for Flinders has said that if this report had not been laid on the table to-day there would have been a great deal more determined opposition to the Bill than there has been. In that he was perfectly right. Although I am going to vote for the second reading, I say distinctly that if the report had not been laid on the table to-day I was quite prepared, as long as I was able, to continue my opposition to the measure until the report was produced. Laying the report on the table has made the thing different altogether, and it seems to me that the bank is so hopelessly involved that there is no getting away from it. In the meantime I recognise that something must be done to carry on the business of the country. I am not concerned about the shareholders or the directors or anyone else, but I do not want to assist in causing any deadlock or injury to the public while this necessary legislation is taking place. I prefer the alternative scheme of the hon. member for Bulimba to this, and if that hon. member, who has had a great deal of financial experience, had put his opinions in the shape of an amendment I would not vote for the second reading of this Bill, but for it. I look at it in this way: When an ordinary crisis comes on the Government are responsible for bringing down certain measures to deal with it, and the Opposition can criticise it without being expected to suggest any alternative scheme; but in an important crisis like this, when an urgent measure is introduced, those who oppose it should be prepared with something to put in its place. I am not able to do that, and the hon. member for Bulimba has not placed his ideas in a practical shape.

The Hon. J. R. DICKSON: It would involve delay.

Mr. BROWNE: The hon. member for Flinders said something might be done in committee, and that is another reason which would make me vote for the second reading. Another reason is that I was one of a few who were derided in this House and by the papers of the colony because we advocated a scheme like this in 1893, when hon. members on the other side not only condemned our proposals, but condemned those who advocated them. It is an old saying that "adversity makes us acquainted with strange bedfellows," and it is strange to see the lions on the Ministerial benches lying down with the lambs on this side. The Secretary for Education would be much edified to hear what he had to say about the guarantee in 1893, but I

will not delay the House in reading it. His hands are practically tied now, and it would be unfair for me to attack him. We have heard a great deal about confidence being restored, and the same cry is being raised now. All we have to do is to pass this Bill, and confidence will be restored; but we have to trust to the statements of the Ministry. A great deal has been said about a report we received from responsible Ministers in 1893, and a little more will be said about that when this matter comes before the House again, because some explanations will be necessary from the Treasurer on account of the trust reposed in him, and the statements he made. Just to show that "the whirligig of time brings its own revenges," and that things have not the rosy look they had in the eyes of some hon. members in 1893, when they were leading this House into signing the Queensland National Bank agreement, I will refer to the last part of the speech of the then Secretary for Lands, who assisted the Treasurer to carry out some investigations—

"The House must trust those gentlemen who have been appointed to look into this matter. They must trust the Government to do what is right and patriotic, and I believe the House will consent to pass the Bill with such small modifications as the sense of both sides may suggest. I do not think the House will have any reason to regret it, and this debate will be long remembered in the history of Queensland as the turning point in our troubles and misfortunes."

That is the prophecy of the hon. gentleman, who pledged his word to this House that everything in connection with the Queensland National Bank affairs was as it should be, and that they had arrived at that conclusion after long and arduous labours. I shall not detain the House longer, but shall vote for the second reading of the Bill, because it is necessary, but with the intention of rendering assistance to anyone who will bring in amendments. If the hon. member for Bulimba will bring his suggestion into the Bill I shall support him, and work as heartily for him as for anybody I ever supported.

Mr. DANIELS: I am going to vote for the second reading of this Bill, but I must refer to the ridiculous statements made by the senior member for North Brisbane, who said that if we had had no Queensland National Bank we would have had no pastoral or farming industry.

Mr. MACDONALD-PATERSON: I said nothing of the kind.

Mr. DANIELS: I would ask how countries got on that had no Queensland National Bank. I am supporting the measure because something must be done, but there is not the slightest doubt that something more than this will have to be done. In fact, I believe the Government will yet recognise the necessity for turning the institution into a State bank, which will certainly create confidence.

Mr. STEWART: Notwithstanding the extreme circumstances concerning the Queensland National Bank, as matters stand I cannot do otherwise than support the second reading of this Bill. So far as I am personally concerned I am on the horns of a dilemma. I wish to see the country rid of this perpetual "thorn in the flesh," but if we do not consent to guarantee these current accounts, the bank will close its doors and be put into liquidation. The State is a creditor of the bank to a very large amount, and if liquidation comes about we will only get about 5s. in the £1, and as there is £3,500,000 of Government money in the bank, the State will only get about £500,000 back. That is how the colony will stand if the bank is compelled to close its doors. In addition to that there are a large number of depositors who live in Great Britain and elsewhere, and I think we ought to consider them a little. We hear a great deal about the honour of the colony, and the

Labour party has been twitted with having very little regard for the honour of the colony. I think the Labour party to-night has shown that it has some regard for the honour of the colony. Let me ask, What regard had the directors of the bank for the honour of the colony during the course of years of gross and flagrant mismanagement of moneys entrusted to them by people in Great Britain? None whatever. They received deposits which were sent to them in good faith, and they spent them most wantonly. But the injury is done. It is no use crying over spilt milk. We find the colony in a difficult position, and it is our duty to do the best we can to get it out of that position. If we do not agree to this guarantee, the bank shuts its doors. If we do agree to it—and that is what weighs with me—and the bank is enabled to carry on its business, there is a possibility that in the end not only will the colony get the money it has deposited, but, what under the circumstances I believe to be of still greater importance, the people of Europe, who have trusted us with their money, will get theirs back. Notwithstanding the present serious condition of the bank, I think that with good management—and I regret there is no provision in the Bill for State supervision and change of management—

The Hon. J. R. DICKSON: That will come in the next Bill.

Mr. STEWART: With stringent management, and having in view the development of the colony, I think it is possible, indeed probable, that in the course of fourteen or twenty years the colony will have all its money, and the European depositors will have all their money. Queensland is a young country, a country not one tittle developed. Its resources, as we are so often told, are enormous; and I think that with careful husbanding, with good management—I may be permitted to say with honest management—the bank may tide over its difficulties and every claim upon it be satisfied. I will just refer to the fact that until very recently the bank has been paying dividends. That is a scandalous condition of things after the report we have had. Knowing perfectly well the condition the bank was in, the directors actually had the effrontery to pay dividends. That is a disgraceful fact in connection with the management of the bank, and shows the need of some very sweeping change in the management. There have been one or two alterations foreshadowed which I hope will be made in the Bill in committee; and I think, with the hon. member for Rockhampton that it is only fair, if we guarantee these current accounts, the State should have the prior claim to that amount at least. I know the State has a prior claim in all its debts from the bank, but the State would never try to enforce it; but with regard to this special sum of £800,000 the State would be justified in asserting, if need be, its priority of claim. I shall support the second reading of the Bill because I can see nothing better to do.

Question—That the Bill be now read a second time—put; and the House divided:—

AYES, 55.

Sir H. M. Nelson, Messrs. Foxton, Byrnes, Glassey, Tozer, Philp, Macdonald-Paterson, Sim, G. Thorn, Cross, Dickson, Grimes, Kidston, Dalrymple, Hardacre, Callan, Stewart, Jackson, Bell, Fraser, Hoolan, Browne, Leahy, Boles, Chataway, Fogarty, Stumm, McDonnell, Dibley, Groom, Bartholomew, Daniels, Corfield, Story, Newell, Crombie, King, W. Thorn, Lissner, Thomas, Finney, Hamilton, O'Connell, Curtis, McMaster, Smith, Lord, Castling, Stephenson, Tooth, Stephens, Collins, Cribb, Armstrong, and Annear.

NOES, 6.

Messrs. Dawson, McDonald, Dunsford, Turley, Kerr, and Fitzgerald.

Resolved in the affirmative.

COMMITTEE.

On clause 1—"Interpretation"—

The TREASURER understood from the remarks which had been made during the debate on the second reading that there was some opposition to the inclusion of fixed deposits in the guarantee, and it might be as well to determine at once what they were going to guarantee. His idea with regard to fixed deposits was that the bank, having reconstructed in 1893, certain people had entrusted their money to it for safe keeping, at the same time expecting to receive a certain fixed rate of interest. The original creditors of the bank under the old arrangement had agreed to postpone the payment of their deposits for a fixed period, and the first instalment would become payable about three years hence. That being so, and considering that the amount was very small, amounting only to some £40,000 or £50,000—

Mr. TURLEY: £57,000.

The TREASURER: It was £57,000 on 30th June last, but it was very much less now, as there had been a considerable decrease in the amount of fixed deposits since that date. It seemed a fair thing that those who had entrusted their money to the bank under those circumstances should enjoy the privilege of being guaranteed just as much as the current account depositors. At the same time he was not going to hold out. If any strong opposition was offered to the inclusion of that small amount, he would willingly agree to wipe out the fixed deposits.

Mr. McDONALD: It would be wise to wipe them out at once.

HONOURABLE MEMBERS: Hear, hear!

The TREASURER: Very well. He had no objection, because they did not affect the question very much after all. As that was the feeling of the Committee, he would move the omission of the words—

"and 'fixed deposit' means any sum of money not included as aforesaid deposited with the bank by any person for any fixed period and bearing interest."

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

On clause 2—"Lists to be prepared, verified, and certified"—

The TREASURER moved the omission on lines 7 and 8 of the words "and fixed deposit."

Mr. McDONALD would like to get some information as to how that list was going to be compiled, as he thought it would be a most difficult matter. A man having £100 to his credit now might at the end of a week have £1,000.

The ATTORNEY-GENERAL: The Bill provides for the highest sum during the period.

Mr. McDONALD was aware of that, but during the time between the 1st September and the passing of the Bill a man's business might have been dull, and a boom in trade might enable him to greatly increase his credit after that. Take the case of persons interested in mining, illustrated by the Mount Morgan Company. They might have the fortune to strike something very good after the passing of the Bill, and increase a credit of £40,000 before that time to double the amount at the end of a month. What would be done then? Either people in such a case would refrain from putting money into the bank or they would run a great risk.

The TREASURER: They did not propose to deal in the Bill with anything that would happen in the future. It was quite true that the Mount Morgan Company might within the period referred to in the Bill have had £40,000 as the highest sum to their credit, and they might subsequently increase it to £60,000, but the Bill would not guarantee that £60,000. Current accounts varied backwards and forwards from day to day or month to month, and a period of

two months and a-half, as provided in the Bill, was a fair time within which to estimate the highest amount at credit for the purposes of the guarantee. The 1st September was fixed because that was the date upon which the Treasurer began to interfere with the bank, and the bank might say, "If you had not interfered with us things would have been different." He did not know of any fairer way in which the amount to be guaranteed could be fixed. The guarantee must be limited in amount as well as in time. The clause was not intended to bring new business to the bank, and all that was intended by the whole Bill was that no injury should be done to the bank or its customers by the action taken; that they should be in just the same position as they would be in if no inquiry had been held at all.

The HON. J. R. DICKSON took the opportunity of saying that that showed the weakness of the guarantee principle, because the hon. gentleman had shown that if an account was increased by an accession of business after the passing of the Bill the surplus would remain uncovered. Though the Treasurer might say that it was not intended to provide for any expansion of the business of the bank, it was clear that if the bank was to recover it must be in a position to take new business, and under the Bill if a man opened an account after it passed it would of course be uncovered.

The TREASURER: That is perfectly right.

The HON. J. R. DICKSON: Otherwise there might be a drain upon other financial institutions through their customers going to the bank in which their accounts would be guaranteed. That weakness did not appertain to the suggestion he had made, that the current account depositors should be given priority upon the assets of the bank. He referred to that now because it had been said that he should have introduced his suggestion in the form of an amendment, and he desired to explain that he did not do so because he did not desire to delay the passage of the Bill, and not because he did not believe still that his suggestion was the best and soundest.

The TREASURER differed *in toto* from the hon. member. The Bill was not intended to bring new business to the bank, but simply to preserve to the bank the business which it had already. No person whose name did not now appear in the register of the bank would get any benefit from this measure, and he thought that was perfectly right. If the hon. member would only look at the matter for a moment he would see that what he contended for would not effect the object they had in view. What the hon. member wanted was to give ultimate security; but it was not ultimate security that they wanted for current account holders. They wanted prompt payment, and making their accounts a first charge upon the assets of the bank would simply mean that if the bank went into liquidation they would have to wait for months and get an order from the court and a lot of other things before they could get their money back. What they desired by the Bill was to keep the trade and business of the colony going, and assure people who had current accounts at the bank that in any case their money would be there available to meet their engagements.

Mr. McDONALD: The hon. gentleman told them a little while ago that the reason why the 1st of September was fixed as the date from which the lists would be compiled was that that was the first time the Government interfered with the bank and caused an inquiry to be made which would very likely damage the bank, and that that was done through the action of Parliament. He denied that the action of Parliament had injured the institution in any way. It was

through the action of the bank that they were compelled to pass legislation in 1893, reserving to the Treasurer the right at any time to make inquiry into the affairs of the institution, and persons who had deposited money with the bank since then had done so with a knowledge of the responsibility they were incurring.

Mr. GLASSEY: There might be some difficulty with regard to the part of the clause, which provided that the lists "shall be verified upon the oath of the general manager or other principal officer of the bank, and shall be certified to by him and by the Auditor-General." It would be very hard for the Auditor-General to have to certify to the lists from the branches of the bank throughout the colony, as he had no means of ascertaining their correctness, and would simply have to take the word of some other person. He thought the clause would place the Auditor-General in a false position.

The TREASURER: If the hon. member would look at line 2 of the clause he would see that the Auditor-General had to prepare lists "from the books and records of the bank." He would, of course, make sure, first of all, that the books and records placed before him were genuine, and then he would certify that the lists prepared from those were correct, but he was not required to make oath as to their correctness. The lists were to be verified upon oath only by the general manager or other principal officer of the bank. No doubt the Auditor-General would be able to satisfy himself more easily with regard to the head office than with regard to the branches, but with reference to the latter he would have the books and records before him, and would be able to call for further evidence, if necessary, as to the genuineness of those records. He saw no difficulty in the matter.

Mr. GLASSEY: As long as the hon. gentleman was satisfied that the thing could be done, and that the Auditor-General, in whom every member of the House had the utmost confidence, would not be placed in a false position, he would not raise any objection.

On the motion of the TREASURER, the clause was further amended by the omission of the words "and fixed deposits," on line 17.

Mr. DAWSON asked the meaning of the last subsection—"Every entry in such lists shall be conclusive evidence of the fact which it purports to set forth." Would it not be better to put in "*prima facie*"?

The ATTORNEY-GENERAL thought the words "for the purposes of this Act" should be inserted. He would move that as an amendment in line 24.

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

On clause 3—"Payment of debts guaranteed"—

The TREASURER: There was some difficulty in this clause regarding the limit of the guarantee. Of course, it could not go on forever. Originally the clause was drafted with a six months' limit, thinking that was sufficient time for the parties concerned to come to some arrangement. But there was a difficulty about that, because, as the time drew near for the expiration of the guarantee, nothing having been completed in the way of a new scheme, depositors would begin to draw out their money, which was the very thing they wished to prevent.

Mr. KIDSTON: The same would happen with a three months' notice.

The TREASURER did not think so. In any case it would be necessary to give a discretionary power to the Governor in Council to extend the time if six months was fixed upon, because negotiations might have reached a certain stage but might not be completed within the six months' limit. It was just as well to make

the guarantee continuous, leaving it to the Treasurer to take action when he saw that action was required. After six months had passed, if nothing had been done to put the bank on a sound footing, the Treasurer could give the required notice. If negotiations had been completed and the bank had been put on a sound footing, then also the notice would be given. He thought on the whole, as far as they could see into the future—which was not always easy to do—the plan of making it a continuous guarantee, leaving the Treasurer the option of giving three months' notice, would be the most effective when put into practical operation. But he was not wedded to that scheme. After mature consideration he thought it was the best, but he was in the hands of the Committee.

Mr. GLASSEY did not agree with the Treasurer. He was afraid the continuous guarantee would cause a great deal of uneasiness in the public mind, and was not a system in which many hon. members had confidence. He did not want to prevent the institution from making favourable arrangements, but some limit should be fixed. He would suggest the addition of the following proviso: "Provided further that the State guarantee shall cease and determine at a period not later than nine months after the passing of this Act."

The TREASURER: I don't think that would be convenient.

Mr. GLASSEY was sure he was voicing the opinions of a considerable number of members when he said there ought to be some limit.

Mr. CROSS agreed that a term should be fixed, but thought that power should be given to the Governor in Council to extend the term under exceptional circumstances. He was aware that the English depositors had to be communicated with; but if the bank was to do any business it would have to hurry up and get itself on a sound footing if it could.

Mr. GLASSEY was willing to make the term twelve months, if the Treasurer would accept an amendment fixing the term.

The TREASURER: The hon. gentleman's object might be effected by amending the proviso so as to make it read: "Provided that the State guarantee shall cease and determine and be of no effect upon the expiration of twelve months from the passing of this Act."

Mr. DAWSON asked whether it was not possible to modify the proposal in regard to the amount of the guarantee, which he would like to see reduced by one-half. His strongest objection to the guarantee, however, was that the current account depositor took absolutely no risk, while the State was securing him in every sixpence he might have in the bank. He thought that an amendment such as he had suggested would improve the Bill, and make it more acceptable to the general taxpayer.

Mr. CALLAN was opposed to fixing the term even if it were made twelve months, because people would simply keep their money in the bank till within a month of the end of the term, and then take it out. He strongly urged the Treasurer to adhere to the clause as it stood. A guarantee, terminable on three months' notice, would best meet the wants of the country and of the men who had money to put into the bank.

The TREASURER: He did not look upon the matter as of so very much importance as the hon. member who had just sat down. He thought twelve months would be long enough, but the objection to that was that the guarantee might be in force for some time after it was required. Under the Bill as it stood the guarantee would terminate when it became unnecessary. He moved that the word "three" be struck out, with a view of inserting "twelve." In regard to the remarks of the hon. member for Charters

Towers as to the amount of the guarantee, it would never come up to £800,000. He had been informed that at present the amount of current account deposits did not exceed £600,000. The previous clause provided that only the actual amount should be guaranteed, so that nothing would be gained by specifying a less sum than £800,000.

Mr. McDONALD suggested that there should be a fixed term of six months, with power to the Governor in Council to extend the guarantee for another three months if necessary. At present there was no finality, except that it could be determined at three months' notice by the Treasurer. If the bank could not fix up its affairs in six months there would be nothing to fix up. Apart from those who were doing business with the bank, the general public had as much right to consideration as the current account depositors. He would also like to see the suggestion of the hon. member for Charters Towers carried out—that the current account depositors should take a certain amount of risk; if the State took half they should take the other half.

The HON. J. R. DICKSON: The question demanded careful consideration, and he had no doubt it had perplexed the Treasurer as to how he could retain the guarantee for a definite term, and at the same time be in a position to cancel it when it became no longer necessary. They must not forget the condition of the bank at present. The first instalments of the deposits would not mature until 1899, and so long as the depositors received their interest regularly they might not feel inclined to make any other arrangement. In any case he did not think the negotiations could be completed in less than six months, as they had people in England to deal with.

The TREASURER: If we fix the time at twelve months they will hurry.

The HON. J. R. DICKSON: He would like to fix the time at twelve months, and give the Treasurer power to determine it within that time by giving three months' notice.

The TREASURER: Make it twelve months certain, and by that time we shall be able to pass another Act if necessary.

The HON. J. R. DICKSON: The arrangements might be carried through by next April, and there would be no necessity for continuing the guarantee for six months longer. As soon as the bank was placed upon a satisfactory basis the Treasurer might very well determine the guarantee.

The ATTORNEY-GENERAL: The hon. member for Bundaberg had suggested a very difficult problem.

Mr. GLASSEY: I want the Treasurer to have the option of giving three months' notice.

The ATTORNEY-GENERAL: If they fixed the term at twelve months, and then gave the Treasurer power to determine it in three months, it would be really only a three months' guarantee. The fixed period was better than giving notice, because if the Treasurer gave notice it would look like a declaration of hostility. Twelve months would be a fair time during which the bank could negotiate with its depositors. If it could not do it within that time it would be a hopeless case, and Parliament would have an opportunity of dealing with the subject again. With regard to the partial guarantee suggested by the hon. member for Charters Towers, he did not think it would effect the purpose. It would be showing that they themselves had no confidence in the institution. If they gave a guarantee at all it should be an effective one, and £800,000 was an outside limit which was not likely to be reached.

Mr. DAWSON was sorry he was unable to give effect to his views as to the depositor taking some risk himself. But he would ask what would be the effect, supposing one of the current account depositors was returned in the list as having a certain current account in the bank, and he had at the same time an overdraft? If the current account was called up, would the overdraft be deducted?

Mr. McDONALD: There might be a case of a man having a trust account, which was really his own account, and an overdraft on his business account. That was a complication that ought to be provided for.

Mr. GLASSEY was anxious to do nothing that would cause any disruption in the negotiations going on, and was quite willing to agree to fixing the period at twelve months.

Amendment agreed to.

The TREASURER moved that the clause be further amended by the omission of all the words in lines 38 and 39, with the view of inserting the words "from the passing of this Act."

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

Mr. HARDACRE: Before the next clause was put he would point out that there was no guarantee that the coin account of the creditors would be used for the purpose of paying the current account creditors. It might be used for other purposes, and become so depleted that the Government would be called upon to incur the liabilities now guaranteed. Some provision similar to that in the Treasury Notes Act ought to be inserted, giving the Treasurer power to step in and prevent its being so depleted by being drawn upon for other purposes as to necessitate forcing on the Government the sudden meeting of, perhaps, several hundred thousand pounds, which would have to come from the consolidated revenue.

The TREASURER: If the Treasurer took all the coin representing the current accounts out of the bank, it would defeat the objects of the Bill. The other matter would more properly be dealt with in the principal Bill, which would come later on. They might make certain stipulations in that Bill, but this Bill dealt with special circumstances.

Mr. HARDACRE: The Treasurer misunderstood him. He did not say that the Treasurer should have power to take the coin out of the bank, because then the bank would have no working capital; but they should have someone to look after their interests in the bank. That should be provided for in the principal Bill.

The TREASURER: That is recommended in the report.

Clause 4—"Guarantee to be continuing"—passed with a consequential amendment.

On clause 5—"Effect of payments made under the guarantee"—

Mr. GLASSEY: The wording of the clause was rather vague; it did not give the Treasurer the powers he ought to have. He ought to have power to step in at any time and secure the interests of the State.

The TREASURER: No doubt the hon. member was referring to the clause as originally drafted; but the objection to it was that it was too aggressive. The present clause read much better, and provided all that was required. It provided that the moneys paid out of the consolidated revenue should be a debt due by the bank to the Government. He was quite satisfied with that. Then the Treasurer was further to enjoy all the rights and privileges of the depositors as well.

Mr. KIDSTON: Will the moneys advanced become a first charge on the assets?

The TREASURER: Yes, I think so.

Mr. GLASSEY: I would like to see the hon. gentleman propose the clause originally drafted.

The ATTORNEY-GENERAL: They should take great care in a preliminary Bill like that not to be aggressive, because that was the first step towards negotiating with the deferred depositors at home. Some hon. members on the other side had raised the question of the preferential right of the Government, and contended that it would be a most improper thing for the Government to exercise that right. Even if a preferential right existed, it would be improper to introduce it into this Bill. He would advise hon. members to leave the clause as it was, because he thoroughly believed they never could exercise their preferential right except as an absolutely last resource. In this Bill they were proposing to deal somewhat liberally with a certain class of depositors, and they should not flaunt the preferential right of the Government in the face of the deferred depositors, who perhaps were not being treated as well as they might have been. The money the Government paid would become a debt due by the bank to the Government, and the Government would step into the rights of the creditors whose accounts were taken over. None could cavil at that. It was in the line of ordinary commercial transactions that they should not appear to confer upon themselves, by words, a power that would be maintained as a sword of Damocles over the heads of the people with whom they would have to negotiate, because they wanted to reconstruct this bank. There were fixed depositors here to the amount of £1,300,000, and others at home to the amount of £2,900,000, and these men would have to be handled very tenderly, because any one of them might present a petition to wind up the institution within a few days. If the bank was restored the guarantee would come to an end, and it was better not to put any words in the measure which would raise contention, or put up the backs of those people.

Mr. O'CONNELL pointed out that the Joint Stock Bank had voluntarily given notice in the *Sydney Morning Herald* that its current account holders would be protected, and that their claims would be made a first charge on the assets of the bank. He contended that that was the position which ought to be taken up here.

The ATTORNEY-GENERAL: The bank have done that by agreement; it is not in a statute of New South Wales.

Mr. O'CONNELL did not think it would be doing any injustice to the extended depositors. However, to test the question he moved that after the word "bank," on the 2nd line of page 3, there be inserted the words "and payment thereof may be enforced against the bank in priority to all other creditors."

The TREASURER hoped the Committee would not accept the amendment. It could do no good, and might possibly do harm. It could not operate at all unless the bank went into liquidation, and that was the very thing they wished to avoid. If the bank ever did go into liquidation they knew very well that the Government would have to bear a large share of the loss, and that the interests of the colony were bound to be preserved. The clause as it stood would effect all the objects they had in view.

Mr. SIM wished to point out that the whole tendency of this legislation was in the direction of establishing what members on his side desired to see established—namely, a State bank. They were becoming creditors of this bank to the extent of over £4,000,000, and any man who understood business knew perfectly well what a power a large creditor had at a meeting of creditors. They did not desire the bank to go

into liquidation, because they had an interest in it and wished to get a fair amount of dividend if dividends were paid.

Mr. GLASSEY did not share the fears expressed by the Treasurer and the Attorney-General. He was as anxious to secure the bank, and prevent any disaster, as any member of the House, but he thought that Ministers were unnecessarily alarmed. The Attorney-General had said that some obstreperous creditor might take certain action and defeat the object they had in view, but he (Mr. Glassey) did not think that was likely to occur. He wished to allay public feeling with regard to that matter, and thought the contention of the hon. member for Musgrave was a correct one. On the other hand, he did not want to do anything that was likely to defeat the important end they had in view—that was making the bank pay the ordinary and State depositor 20s. in the £1.

Amendment put and negatived; and clause, as amended, put and passed.

Clauses 6 and 7 put and passed.

The House resumed; and the CHAIRMAN reported the Bill with amendments.

THIRD READING.

On the motion of the TREASURER, the Bill was read a third time and ordered to be forwarded to the Council for their concurrence, by message in the usual form.

At a quarter past 12 o'clock,

The SPEAKER said: I shall resume the chair at 1 o'clock.

At 1 o'clock,

The SPEAKER resumed the chair.

THE QUEENSLAND NATIONAL BANK, LIMITED, GUARANTEE BILL.

The SPEAKER announced the receipt of a message from the Council, returning this Bill without amendment.

The House adjourned at two minutes past 1 o'clock a.m.