

Queensland



Parliamentary Debates  
[Hansard]

**Legislative Assembly**

**TUESDAY, 11 SEPTEMBER 1900**

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## LEGISLATIVE ASSEMBLY.

TUESDAY, 11 SEPTEMBER, 1900.

The SPEAKER (Hon. Arthur Morgan, *Warwick*) took the chair at half-past 3 o'clock.

## AUDITOR-GENERAL'S REPORT.

The SPEAKER announced the receipt of the Auditor-General's annual report for the financial year ending on the 30th June, 1900.

Ordered to be printed.

## AUDITING OF GOVERNMENT SECURITIES.

The SPEAKER announced the receipt of a letter from the Agent-General, stating that the securities held in London in trust for the Government Savings Bank had been examined, counted, and audited, and had been found correct.

Ordered to be printed.

## PAPERS.

The following papers, laid on the table of the House, were ordered to be printed:—

- (1) Correspondence relating to alternative routes for the proposed railway to Mount Garnet.
- (2) Return to an order, relative to scholars at Queensland grammar schools, made by the House, on motion of Mr. Groom, on the 15th August last.
- (3) Despatch, dated 26th July last, respecting conclusion of mission of Australian federal delegates in London.

## HEALTH BILL.

## THIRD READING.

On the motion of the HOME SECRETARY (Hon. J. F. G. Foxton, *Carnarvon*), this Bill was read a third time, passed, and ordered to be forwarded to the Legislative Council for their concurrence.

1900—2 y

TOTALISATOR RESTRICTION ACT  
AMENDMENT BILL.

Mr. JENKINSON (*Wide Bay*) moved—

That leave be given to introduce a Bill to amend the Totalisator Restriction Act of 1889.

Question put and passed.

## SUPPLY.

RESUMPTION OF COMMITTEE—DEBATE ON  
FINANCIAL STATEMENT.

Question—That there be granted to Her Majesty, for the service of the year 1899-1900, a sum not exceeding £300, to defray the salary of the aide-de-camp to His Excellency the Governor—stated.

Mr. MAXWELL (*Burke*): I do not intend to offer any objection to the various items that are upon the Estimates for this year, but I certainly think there are some items which we could easily do without, and notably that of immigration. I do not think it is a good thing for the colony at the present time, especially when we are on the eve of entering into a federation with the other colonies, and the matter is going to be handed over to the Federal Government to be dealt with, to incur this expenditure. I think that we should leave it in the hands of the Federal Government. I think that the expenditure year after year of approximately £50,000 out of the funds of the colony is not a wise thing. I notice that on looking up the various expenditures of the different colonies in connection with immigration that Queensland has spent considerably more on that item than any of the other Australian colonies. I think, when the hon. the leader of this party, Mr. Browne, was speaking last Thursday, the Premier interjected that New Zealand had spent as much, if not more, than the colony of Queensland on immigration, and for the information of the House we may as well have the exact amounts that have been spent in immigration in the various colonies. New Zealand, for her population of 743,463 of a population, has spent £2,145,967.

An HONOURABLE MEMBER: Is that her European population, or does it include Maories?

Mr. MAXWELL: That is the total population of New Zealand. These figures are from the statistics of 1898. New Zealand has spent £2,145,967, or £1 17s. 8d. per head of population; while Queensland has spent £6 8s. 5d. Tasmania—of course the hon. member for Croydon quoted these figures—has already spent £1 6s. 5d. per head of her population, while New South Wales and West Australia have spent respectively 2s. 9d. and 2s. 8d. per head. Moreover, I think that the statements that are made to these people in England to induce them to come out here are not altogether what, speaking correctly, we can say are based upon substantial truths. We find that the Agent-General, in despatching one of the boats or one of the lots of immigrants from England, approached the young ladies on the boat, and after giving them an address on the resources of the colony, I presume, he went on to say—

He advised the girls not to go to the highest bidder, and referred to the prospects that awaited the girls in Queensland, where expectant husbands were on the lookout for them, and where in a few days' time they would become the happy mothers of future colonists.

(Laughter.) Of course the people who know Sir Horace Tozer can make all sorts of allowances for him—(laughter)—but when these statements are made in England, what are people to think about the wonderful resources of the colony, when probably among those resources are included the getting children so quickly? Well, if that were so, I should not think it would be

necessary to spend £50,000 per year in inducing immigrants to come to the colony. There is also one other little item that came under my notice. I may say that the last one was from a colonial paper, but this is from an English paper, and presumably English journals do not tell lies. It is from the London *Daily Mail* of 26th June, and it is headed "Huge Marriage Agency—Queensland's tempting offers to young women"—

While the Queensland housewife is bewailing the ever-increasing scarcity of "generals" and house and parlourmaids, the Queensland Government agents in the country are shipping young women to their colony in thousands.

Some idea of the extent to which the demand for single women in Queensland is being supplied from the country districts of England may be gathered from the fact that on last Thursday alone 215 healthy young domestic servants were despatched to the Brisbane hiring dépot by the colony's agents, and with farm labourers, their wives and families, the total shipment for the day comprised 430 persons.

For the readiness to quit England for the new life in the sunny South several reasons are assigned, not the least interesting of which is the prospect of marriage with the well-to-do selector who raises coffee, cotton, tobacco, or sugar on his outback holding.

It is the common belief of the intending emigrant—and the notion is carefully fostered by the hustling agent—that once in Cooktown, Mackay, Bowen, or Cairns, she will speedily capture the susceptible squatter, marry him, and pass in a month from the lean-to kitchen into the best room of the home station.

For every man or woman secured by the energetic agents who travel over the United Kingdom they are paid 10s. 6d., and for child 5s. 3d.

The emigration official attached to the Queensland Agent-General's office said to a *Daily Mail* representative: "Business is brisk in women emigrants. In March we got away 200, and the average is about twenty a fortnight for the year. We get them mostly from the country, and if they are satisfactory in respect of health and good character we charge them £1 for ship-kit, and send them out free to Brisbane, where they are snapped up at the hiring dépot for domestic helps. While no healthy plain girl would be refused, we certainly give preference to the good-looking applicants, who are, of course, more likely to get husbands and settle permanently in the country. The single young farmers in the colony are always on the lookout for nice English girls, and we are supplying the demand as fast as possible."

I say that is a direct insult to our own girls in the colony, and I claim to have a fairly good idea of it, because I have visited various places at the end of this town where you see a good deal of that sort of thing. (Laughter.) I claim to have a good idea of the girls brought out to this country, and a fairly good idea of our own colonial girls, and our girls will compare favourably with any I have seen brought here as immigrants. The Chief Secretary told us that our last shipment was one of the best assets we had; but I would recommend the hon. gentleman to go down to Kangaroo Point and make inquiries as to the class of girls introduced here. I have no hesitation in saying that a good many of them are drunkards, and probably more than that. Furthermore, I may say that a good many of those who came out with the last shipment did not stop in Queensland a week, but went straight on to New South Wales. If we are going to pay money year after year to induce people to come out to this colony, the least we can do is to see that the people we introduce will make worthy citizens. The people I have referred to are not the class of people necessary in Queensland to-day. Travelling around the Northern part of this colony I find a good many of our present population out of employment, and no better instance could be brought under your notice than the fact that in Ipswich—a place where they are everlastingly calling out for more immigrants—the expenditure in the district last year through the labour bureau was something enor-

mous. When you take into consideration the fact that police magistrates and clerks of petty sessions dole out 3 lb. of flour, 1 lb. of sugar, and  $\frac{1}{4}$  lb. of tea to persons coming along the road and applying for rations to carry them on, and when you remember that there is £5,000 on the Estimates for this purpose, you can imagine the number of small parcels there would be for this great sum of money. The bringing of the class of immigrants that I have referred to into this colony is scarcely the security the Chief Secretary would advance money on. These people are invited to come out here to better the conditions they are labouring under at home, but from the Agent-General's report we find that the conditions and rate of wages of farm labourers at home are better than the conditions and rate of wages of farm labourers here. The amount that domestic servants can get in Brisbane is stated, and it is altogether wrong. It is said that they can get from 8s. to £1 5s. a week; but if he had said they could get from 2s. to 10s. per week he would have been nearer the mark. I intend to oppose this vote when it comes along, simply because I do not think it is for the welfare of the colony—at present, at least. I am not one of those who do not believe in immigration. I believe in it to a certain extent, and when the resources of the colony are such that we can bring more people out to share the blessings this colony offers. I say that this colony offers opportunities that are not equalled by any of the other colonies of Australia. Our agricultural resources are not surpassed by any of the other colonies, and our mineral resources are probably more than equal to those of any other of the Australian colonies. We are told by the Government that it is only farm labourers and domestic servants who are brought to the colony; but during the last year there were a number of miners brought out, and go where you will to-day you will find miners walking about looking for work. The class of miner we want in this colony is the man who will bring a few pounds with him, and who will develop some of the claims we have in the colony. The same may be said of the agriculturists, and in that class also we want men who will bring some money with them, and improve our lands. The immigration agent says in his report—

From the facts and figures adduced it will have been made manifest that the partial revival of free immigration has been amply justified by results, since up to the present no difficulty has been experienced in finding employment at good wages for the special additions to the ranks of labour, male and female.

I contend that that is a libel, because, go where you will to-day, you will find women looking for employment. When the question arises: Why are they drifting into our factories? It is simply because the condition of things for women in factories is much superior to what they are for domestic service—and, goodness knows, they are bad enough. One thing I wish to refer to is the expenditure upon Royal Commissions. I certainly oppose the spending of any more money on Royal Commissions. The information given to this House by the Railways Commission was known to members of this House previous to the appointment of the commission. The Hon. Mr. Barlow says that the travelling of members of the Railways Commission into a certain part of the colony was a simple waste of money, because we had the information they got previous to their going into that district. I go a bit further, and say it was a waste of money to appoint any commission whatever, because the whole of the information they were able to get was in the hands of this House previous to their appointment. On the present Estimates there is a rise of £100 for the Government Printer. Previous to last session a Royal Commission sat to inquire into the working of the Government Printing Office,

and they brought forward certain recommendations, one of which was that the head of the Government Printing Office should receive a rise of £100, and should then resign from the service. Now we find the Government coming along with another rise of £100, and there is no saying that he is going to resign yet. The Home Secretary told us that the whole of the recommendations of that commission were carried out, but it is well known to many hon. members that very few of them were carried out. Various members of that commission told us last session that that £100 rise was simply recommended because they thought Mr. Gregory would make room for a younger and more up-to-date man. I regret very much to say it, but I am certainly of opinion that the Government Printing Office to-day is run very little better than

[4 p.m.] it was previous to the appointment of that Royal Commission. It is a well-known fact that several of the members of that Commission were of opinion that a good many of the employees in that department were underpaid, whilst there were others who were probably overpaid. I shall deem it my duty to oppose any extravagant expenditure on the part of the Government, and I shall do my best to retrench it, although I have not come here to advocate retrenchment. I am of opinion that if you get a good man you cannot pay him too much; but a bad workman is dear at any price. Now, with regard to mining, the hon. member for Charters Towers, this afternoon, asked a question concerning the expenditure from the deep-sinking vote for the last two years. I am of opinion that the mining industry does not get that assistance from the Queensland Government that it is entitled to. Every other industry gets the assistance asked for.

Mr. REID: Especially sugar.

Mr. MAXWELL: As the hon. member for Enoggera says—especially the sugar industry. I don't think the same assistance has been offered to the mining industry. This year we find on the Estimates a fair amount to assist in the building of sugar-mills; and whilst I do not oppose that, I think that some assistance should be given to the mining industry.

Mr. LEAHY: Give it all round.

Mr. MAXWELL: I am glad to hear the hon. member for Bulloo say that, because he has got a very fair share one way or another.

Mr. LEAHY: That is why I want it given all round.

Mr. MAXWELL: I shall not go into details now, but I certainly protest against undue preference being given to any person or to any industry.

Mr. RYLAND (*Gympie*): I wish to say a few words on the Financial Statement. Some hon. members have been telling us about its clearness and preciseness; but I must say I do not see where that comes in. I cannot find out whether the Statement ends on the 30th June or the 31st December. Some of the returns are given up to the 31st December, while others are given to the 30th June.

Mr. BROWNE: "You pays your money, and you takes your choice."

Mr. RYLAND: The figures with regard to exports and imports are up to 31st December; but the revenue from land alienation is to the 30th June. The number of cattle and sheep in the colony and other assets are given up to the 31st December. And then our liabilities are counted up to the 30th June, but we may have had a lot of assets last December, and they may have entirely disappeared before the 30th June. I do not think any financial institution, in preparing a balance-sheet, would have two periods in which to do so—one period for assets and another for

liabilities. Now, with regard to the surplus: This Statement shows that there is a surplus of over £47,000, but there are three little items which have come under my notice. One is the sale of specimens, £33,000, and death duties show a surplus of £124,000. If it had not been for one of our citizens—Mr. Tyson—dying, there would not have been this surplus. In fact, it is far more than the surplus. Then there is a lot of expenditure under the head of defence charged to loan that should have been charged to revenue. So that instead of having a surplus of £47,000, we would have a deficit of £146,000—that is, taking these three items into account. Therefore, I don't think there has been any great financing with regard to this surplus. It has been done in a happy-go-lucky sort of way in order to make things square. Now we are only credited with a little over £29,000 from the mining industry, but that does not represent the revenue we derive from that industry. More than one-half of the dividend duty—£66,000—is derived from mining properties, and instead of the mining industry only getting credit for £29,000 net, it should get credit for £65,000. This may appear a small matter to some people; but it is really a very important matter, and it is only right to point out that this industry has not got the credit it deserves. There is a vote passed every year of £10,000 for prospecting. It is supposed to be voted to assist prospectors, but we find that last year the amount spent was only £2,086. Now, no money could be better spent than in assisting prospecting.

Mr. JACKSON: Did you ever get an application refused?

Mr. DAWSON: I have.

Mr. JACKSON: So have I.

Mr. RYLAND: I have never had an application refused, but I am quite satisfied that it is because I have not applied for one. If all the applications were made that might be made I am quite sure the whole £10,000 would be expended. Nothing has opened up the country like prospecting. It is the prospectors who have gone about the country and have lived very hard who have developed the country and led to the growth of population.

Mr. JACKSON: Do you think the principle is right?

Mr. RYLAND: Yes, I think the principle is right.

Mr. JACKSON: Wouldn't you sooner see the money spent in giving advances for machinery?

Mr. RYLAND: I would like to see a good prospecting vote, and I would like to see—in outside places where there are small mining communities, and where they are not in a position to put up crushing batteries or small works to treat the ore—advances made by the Government for the purpose of providing these things. That could be done with advantage to both the State and the miners. I am sure that money spent in that way would be money well spent. We are told that there is a deficiency on our railways of £327,000. Well, I, for one, do not regard that as a loss. Our railways open up the country, and if we do not charge the selector, the farmer, or the business man enough for the carriage of his goods, and consequently there is a deficiency in the railway receipts, still, it is no loss to the country as a whole. In fact, it would be no loss to the country if we were to run the railways free of charge, and make good the expense of running them by putting a tax on land values, the same as our local government bodies do with regard to the roads. We have been told in this Committee, and told rightly, that our railways are simply roads, and in my estimation it would be a great gain to the country if we ran our railways free, and provided for the

cost by a direct tax on land values. The railways running through the country enhance the value of property, and even the farmers in the outside districts could afford to pay a little more in the way of taxation if they could get cheap railway carriage. I notice that the Royal Commission on Railways point out in connection with the railway to Nanango that the construction of the railway would give an increased value to a large area of freehold and other lands, and they refer to the betterment principle. They do not recommend that the line should be built on the betterment principle, but consider it sufficient to merely refer to it. Now, that has been pointed out many times during the last fifteen or twenty years in Queensland, and we want to see it go further than being merely pointed out. We want to see it put in practice. It is not only the country lands that are enhanced in value by the construction of railways. Every mile that a railway is extended from any centre of population increases the value of land in that centre of population. It is the railways that run west from here that give the enormous values to land in Queen street. The people from the West come and do their business here, and help to produce those values which have been allowed to be confiscated by private individuals, and when we talk of a deficiency in our railway receipts, there is really no deficiency at all. It is simply that the State has not done its duty. It has not been equal to the occasion, and collected the revenue which has been produced by those railways. It is not the fault of the railways, but the fault of the Government that has not collected the revenue which has been produced by the railways.

MEMBERS of the Opposition : Hear, hear !

Mr. RYLAND : Now, with regard to the Savings Bank. Last year the Treasurer told us in his Financial Statement—I referred to it last year because I considered it was a splendid idea—that—

The workers save their earnings, and so become capitalists in a reasonably short space of time.

The hon. gentleman then sighted the millennium, when all the workers of this colony would become capitalists through the instrumentality of the Savings Bank, and there would be no more industrial war in the land and no more poverty. In this year's Financial Statement the hon. gentleman says—

I am pleased to observe that the economic fact that the harmonious working together of capital and labour is essential to the well-being and advancement of both is steadily impressing itself on the minds of the great bulk of the people.

The idea of becoming capitalists is abandoned, and we get back to the economic fact in reference to the harmonious working together of capital and labour. He has abandoned his high plane, and comes down to the commonplace fact of capital and labour working harmoniously together. Now, with reference to the Savings Bank. I must say it is a splendid institution and entirely worthy of the colony, but at the same time I agree with the Treasurer in his Statement made this year that it is not possible for us all to gain happiness by becoming depositors in that bank of savings to the amount of 1s. a week. The number of depositors, I observe, is about 84,000, and the average amount of their deposits is £42 per head, so that I do not think there are likely to be many capitalists at that rate. With regard to immigration, my view is that it is money thrown away. The effect is simply to bring people here, who wander about the colony looking for work, and ultimately get into severe straits. Consequently, the tendency is to pull down wages and increase competition. I can see no other effect than that. I have looked at the question from all sides, and I have come to that

conclusion ; and that, in addition, even if it does increase the population, the landowners, speculators, land-jobbers, and land agents are the persons who reap the benefit through the increased value of land brought about by the increased population. The benefits of increased population are not derived by the inhabitants of the colony generally, but by a few persons who own land and speculate in it. Besides, as the hon. member for Burke, Mr. Maxwell, pointed out, there is a lot done in the London Immigration Office that ought not to be done.

MEMBERS of the Opposition : Hear, hear !

Mr. RYLAND : I think there is a lot done there that will not stand the X-rays. I think it is as well that we should give this question adequate consideration, seeing that it is costing the colony £50,000 a year, and that we are getting practically nothing for it. I observe, through one of the circulars issued by the London office to the Immigration Agent, that—

The Queensland Government, through the Agent-General, is still prepared to pay you a bonus of 10s. 6d. per adult. You will obtain the full commission from the shipping company, and, in addition, you will be entitled to the Government bonus.

Now, is that fair competition as regards getting people to come to this colony ? The Government offer an additional inducement to persons to obtain immigrants for them by offering a bonus of 10s. 6d. per head in addition to what commission the shipping companies pay. That is hardly fair. Then, again, the amount of money spent in advertising is enormous. We find on the Estimates this year the amount as passage money £35,000, rent of offices, etc., £5,000, and advertising and commission £10,000. About one-third of the whole amount goes in running these people in and catching them. The expenses in connection with this matter are supplied to us up to the 30th of June last, while the number of immigrants introduced are calculated as at 31st December last, so that it is difficult to get at the exact cost per head ; but from information which I have been able to obtain I find that about 2,000 immigrants had been introduced during the year, at a cost of £24 per head. I think that is too much altogether, especially when we consider that it is not for adults only, but for children also. So that when we see these people coming here and going away to the other colonies we must remember that each one represents £24 of our money. I would like to draw attention to an advertisement which is circulated broadcast throughout the old country in reference to immigration to Queensland. It says—

Female domestic servants, for whom there is a great demand, receive high wages, the rates ranging at the present time from 15s. to £1 10s. per week for cooks, 12s. to £1 for laundresses, 10s. to 17s. for housemaids, and 10s. to 17s. for general servants.

I ask hon. members if that is correct ? My experience is that there are any number of general servants in this colony to be had from 8s. to 10s. per week. There are no pounds a week given to general servants. The notice goes on to say—

Young women will be received into Government homes, and can remain there free of cost to themselves until meeting with suitable employment.

I say that is incorrect.

Superior matrimonial prospects.—In Queensland the men far outnumber the women, while in [4:30 p.m.] England the position is reversed. Hence a high marriage rate, giving women brighter matrimonial prospects.

On the other side it says : “ Why women should go to Queensland,” and these are some of the reasons given—

Because girls have excellent wages, good treatment in families, with the prospect of a comfortable home of their own.

Because it is from servants leaving their places to become mistresses that wages keep up so well.

Because married life there can be looked forward to with less anxiety than here.

These pamphlets are spread about by hundreds of thousands through the length and breadth of the land to induce people to come here. We pay for these, and we pay the commission agents the bonus for everyone brought here, and when they come here they go away to other colonies. Then it says—

Think seriously, decide promptly, and carry out your resolution boldly.

Mr. LESINA : Hear, hear ! Good old Tozer !

Mr. RYLAND : Yes. Good old Tozer. The hon. member for Burke referred to the class of immigrants we were getting. I suppose there must be somebody to blame for that. There is no effect that has not got a cause, and we should try to find out the cause of these bad effects. This is the report of the Agent-General for the year 1899, and I will just read a few extracts. The despatching officer in London says he thinks—

The free single women were not so good as those who in former years were provided with free passages.

He says that the single women are not of such a high character or good standard as those previously sent here. That has been questioned in London. It went through the Press, and some benevolent people there took the question up. The statement was made that single women coming to Queensland were not properly treated and were not so successful out here as they expected to be, especially in regard to matrimony and other things. They sent some of these comments to the Agent-General, and asked him for his opinion on the matter. This is one of the extracts sent to the Agent-General—

The Queensland Government are bringing out large numbers of the domestic servant class. These should be warned, and warned very plainly, to accept no situations in town without making inquiries, for immorality is very common, and brothel-keepers do their best to deceive girls by means of advertisements for servants, etc.

Mr. STEPHENSON : Who is the writer ?

Mr. RYLAND : This extract was sent to Sir Horace Tozer, and he was asked if it was a true statement, and this is what he said in reply, after acknowledging the receipt of the letter, etc.—

It is perhaps fortunate for the good name of the colony that I held the position of Home Secretary there for almost eight years.

(Opposition laughter.)

Mr. McDONALD : You ought to put a query after that.

Mr. RYLAND : I must admit that it does not show an over amount of modesty, at the same time it shows what is very necessary in a politician—that is, plenty of cheek. (Opposition laughter.)

Mr. REID : Do you speak from experience ?

Mr. RYLAND : I know my own failings. Sir Horace Tozer went on to say—

Brisbane is the capital city, with about 110,000 inhabitants, and during my long administration I can never remember having seen one instance of a woman publicly offering herself for immoral purposes, as I see here almost every evening I have occasion to go outside my own doors.

Mr. McDONALD : He is too good a man to be allowed to roam about.

Mr. RYLAND : He takes up the cudgels and defends Queensland in this matter, but what is the effect that might have on intending emigrants from the old country ? The question has been raised by the hon. member for Burke how it is that the girls that come here now are not so good as they used to be. We have it on the evidence of the despatching officer that they are not so good ; but here we have Sir Horace Tozer telling us all this. What is the inference ? I take it that the effect of that being published

in the Press is to show that there exists in this colony what the newspapers call a long felt want to be supplied, and consequently the population who are plentiful in the vicinity where Sir Horace resides emigrate to a place where the competition is not so keen. (Laughter.) I lay the blame in a great measure on the Agent-General in this matter. If miners were scarce in Western Australia plenty of men would go there from Gympie and other places, but they would not go to a place where the competition was keen. They would go where there was an open market. (Laughter.) Consequently I fear that the tendency of this explanation given by Sir Horace Tozer and sent abroad in England has had a very bad effect indeed, and I blame Sir Horace Tozer for the deterioration of the immigrants coming to this colony. I trace it all back to the Agent-General. (Laughter.) There is another matter I wish to refer to, and that is about the way the farmers are neglected, and the small producers generally. I think it is time the State should gird up its loins and do something in the way of affording assistance to farmers and other people. I see that in Western Australia they have an Agricultural Bank, and it has been most successful. The report says that although the loans were £102,000, still there were no losses to report in connection with this matter. They are all paying interest and redemption, and things are going on well. Well, now we come to Victoria, and they have had a land bank there for the last three or four years, and the amount they have advanced is over £973,000, and the only arrears on that were twelve altogether, for a total of £154. So that taking the large volume of money that has been lent out by the State to the farmers and the small amount of arrears into consideration, you must admit that it is a success ; and the Treasurer there, I notice, in his Financial Statement, says that no legislation passed of recent years in Victoria has been so successful as the State bank. Also in South Australia they have had a State bank for many years, which not only gives assistance to the farmers and other small settlers, but it has proved a great success to the Treasurer himself. When he wanted money he found that he could negotiate it there with advantage. I was surprised when I was walking along King William street recently to see the fine large building on which "State bank" was written. It was pointed out to me, and I said, "That is the very thing we want in Queensland." And then, of course, I thought of our Government, and I could see that a State bank in Queensland looked as far away as ever—as far away in the millennium as it was in the days of the old capitalists. If the present Government does not give some means by which the farmers can get cheaper money than they are getting at the present time, I hope we shall soon have a Government that will do it. I know that some of our farmers are paying from 10 per cent. to 12 per cent. interest on money to local financial institutions and money-lenders, while in Victoria they get it for 6 per cent. for thirty-one and a-half years, interest and redemption. I say if the Government want to encourage settlement on the land, that is the way to do it. If they want people to stop in the country they do not want to bring them here and scatter them broadcast looking for work. If they will look after the people that are here, and treat them properly and give them a means of living, both the people who come to the colony will stop here, and those who are already here will remain and be contented and happy. I thank the Committee for the attention that they have given to me in this matter, and I hope the Government will pay attention to what I have said in regard to State banks.

HONOURABLE MEMBERS : Hear, hear !

Mr. HARDACRE (*Leichhardt*): The Financial Statement is generally looked upon as the most important question of the session. The finances of the State are just as important to the public in the piping times of peace as the munitions of war are to the general in times of war. But not only are the conditions of the finances of importance, but the methods of raising revenue to balance the expenditure are equally important. Historical political struggles have taken place in times past over the methods of raising revenue. It is said that the question of the taxation of sugar was the cause of the downfall of one of the great Governments. We know that the taxation of corn, wheat, and other grain under the Corn Laws gave rise to one of the greatest and noblest political agitations in the history of Great Britain; and also the taxation of tea caused the loss to Great Britain of thirteen of her American colonies. Ever since the power of the purse was wrenched from a tyrannical king the question of finance has been looked upon with a most jealous eye, and the methods of raising revenue have been looked upon as being among the most important questions that can possibly affect the prosperity and welfare of a people. For these reasons the Financial Statement in British Parliaments and in all representative Parliaments has come to be looked upon as the most important question for discussion in the whole course of the session. In Queensland, instead of the Financial Statement rising to the importance of Financial Statements—instead of rising to the dignity of a discussion of questions of raising revenue and taxation—we have placed before us, instead of a Financial Statement, commonplace, dry-as-dust, summarised reports of the departments.

MEMBERS of the Opposition: Hear, hear! Like a grocers' account.

Mr. HARDACRE: Very much as in olden times a cross country storekeeper reckons up each pound of candles and box of matches, and calculates how many he has sold during the week and how many he has left. It seems to me not worthy of the dignity of this Chamber to bring a Financial Statement of that kind before us. I may say that I do not blame the Treasurer for the kind of Statement that is laid before us every session.

Mr. DAWSON: He does not make it.

Mr. HARDACRE: I admit that he does not prepare it. He kind of edits it.

Mr. LESINA: He repeats it.

Mr. HARDACRE: In any case he has only repeated the system that has been in force for the last five or six years, and which was brought about in the first place by the great financier, or the reputed great financier, Sir Hugh Nelson.

The TREASURER: The best Treasurer we ever had.

Mr. HARDACRE: It is a strange thing that the next Treasurer that comes along from that side of the House always says that. The next Treasurer will say that the present Treasurer is the best Treasurer that was ever in the colony. Every Treasurer that has come and gone has been called by the succeeding Treasurer of the same Government a heaven-born financier.

The TREASURER: That comes from the other side—heaven-born financier.

Mr. DAWSON: No, we did not invent it.

Mr. HARDACRE: It is one of the laudations of the newspaper reporters that side with the Government.

The TREASURER: No, the Labour party.

Mr. HARDACRE: However, that system was certainly introduced by Sir Hugh Nelson.

Mr. GROOM: The hon. member makes a mistake. It was introduced by the late Mr. William Pattison.

Mr. HARDACRE: It may have been introduced by him at one time, but it was reintroduced by Sir Hugh Nelson, because before Sir Hugh Nelson's time we had the *vidæ voce* statements of Sir Thomas Mellwraith; and certainly those spoken Financial Statements gave greater breadth, greater grasp, greater life, and more interest to the discussion on the finances than the new system of merely reading summarised statements of different departments, full of details, full of little things which are not of sufficient importance to find a place in our Financial Statements.

Mr. GROOM: You are quite correct in that statement.

Mr. HARDACRE: And which have the effect of so confusing the question that it is almost impossible for hon. members of this Chamber to disentangle the real condition of the finances from this mass of details, and arrive at their true state. I protest now, as I have protested ever since Financial Statements of this character were commenced. The Treasurer is constantly complaining of the waste of time in members taking two hours to say what might be said in ten minutes. Well, if ever there was anyone who ought to take a dose of his own advice, it is certainly the Treasurer, for all that was material concerning our finances could certainly have been put before us in ten minutes instead of the two and a-half hours the hon. gentleman took.

The TREASURER: Would you be satisfied with a ten minutes' speech?

Mr. HARDACRE: The whole Statement, so far as any financial policy is concerned—for there is no policy in this Statement—could have been placed before us in a speech of ten minutes. I was surprised that the Treasurer did not go on following the example set in this matter by reading to us the figures of the financial tables furnished with the Statement. He might just as well have done so, for they are just as much a part of a Financial Statement as the summarised report he read to us. I know the object of these reports—that they are for the British investor and not for the members of this House at all, and the Treasurer simply reads the speech that it may be circulated wholesale throughout Great Britain.

Mr. McDONALD: As a free advertisement.

Mr. HARDACRE: There may be some advantage in having these summarised reports laid before us, but I would advise the Treasurer in future to send them along in the same manner as the tables to accompany the speech, and let it be taken as read, so that we shall have the summary of the reports before us, without having them read to us to occupy the time of the House. Not only does this kind of Financial Statement confuse the finances for hon. members, but the effort required on the part of the Treasurer to supervise and edit these reports of the various departments must of itself take up so much of his time and mental force that he is unable properly to do justice to the discussion of the finances of the colony. Before I go further I desire to compliment the Treasurer—

Mr. REID: After all this abuse!

Mr. HARDACRE: Yes, as "a candid friend." I was going to use the phrase that in complimenting him I was going to "damn him with faint praise." I was going to compliment him upon what was termed his "valiant effort" in reading through that utter hash of a report. It was certainly a valiant effort, and as such I compliment him upon it. I desire also to compliment the ex-Treasurer, the hon. member for Rockhampton, Mr. Kidston, upon the very able speech he made upon the Financial Statement. I am alluding to the character of the hon. gentleman's speech. I took the trouble to go through it carefully, and I must confess I never read a more masterly analysis of figures relating to the

finances. It certainly justifies the choice of the hon. member for Rockhampton, Mr. Kidston, by the Premier of the last Administration, as the Treasurer of that Administration.

Mr. JACKSON: You are fishing for a few compliments for yourself, are you?

Mr. HARDACRE: I was thinking of paying a few compliments to the hon. member for Kennedy, but I will come to them later on. Every hon. member who heard the speech of the hon. member for Rockhampton, or has had an opportunity of reading it, must admit that it is one of the ablest speeches ever delivered in this House on the Financial Statement. I was amazed at the grasp which the hon. gentleman showed that he had of the figures relating to our finances, and at the easy way in which he handled them. The ex-Treasurer thinks the Treasurer rather too sanguine in his anticipations of revenue, and that it is not likely that his estimates will be realised. I must confess that I agree with the ex-Treasurer in that matter. I certainly do not think the estimate of the Treasurer for the current financial year will be realised, but I do not differ with the Treasurer on the ground on which the ex-Treasurer differs with him—the fact that the Federal Government will take over our Customs Department. Those who have followed the discussion on the matter will remember that the Treasurer stated that he thought the Federal Government would still allow us to collect the Customs revenue of the colony and give them receipts for it. The ex-Treasurer, on the other hand, showed that that could not possibly be, because under the Constitution of the Commonwealth the Federal Government must of necessity collect themselves.

The CHIEF SECRETARY: Where is that stated in the Commonwealth Bill?

Mr. HARDACRE: In section 87, which says that on the establishment of the Commonwealth the collection and control of the duties of Customs and excise shall pass to the Executive Government of the Commonwealth.

The TREASURER: It is only a matter of book-keeping.

Mr. HARDACRE: I think it is more than that, but the point I want to make is that it is really immaterial whether the Commonwealth or the colony collects it, because the net result in both cases will be the same. If we collect it, as supposed by the Treasurer, we shall deduct the expenses of collecting it, and when the balance is handed over to the Federal Government they will deduct our share of the expenses of the Commonwealth. On the other hand, if they collect it they will deduct the expenses of collection, and our share of the expenses of the Commonwealth, and will give us the remainder. So that in either case the balance we will get will be exactly the same, and therefore I do not differ with the Treasurer as to the estimates he anticipates on the ground on which the hon. member for Rockhampton differed with him. I differ with him for this reason: That within a short period, probably within twelve months, there will be a uniform Federal Custom tariff in force.

[5 p.m.] I know that while the federal tariff does not of necessity come into force at any particular time inside two years, there is a period of two years during which the Commonwealth can impose a uniform tariff.

An HONOURABLE MEMBER: Within two years.

Mr. HARDACRE: Yes; but the Commonwealth will be established on the 1st January. Then three months from that time there must be a general election, and within three months after that the Federal Parliament must be called together.

Mr. McDONALD: Within thirty days.

Mr. HARDACRE: At all events, within six months of the establishment of the Commonwealth the Parliament must be called together, and the first business to be considered will undoubtedly be the question of a uniform tariff. Both sides agree that a uniform tariff must be imposed and are preparing accordingly. It may be said that it is no use speculating as to what the Customs tariff may be; but we know that our present Customs duties will be abolished and will be replaced by a uniform tariff, in which the duties on some articles will be higher and on others lower than they are at present in this colony—on innumerable items the tariff will be different to what it is now here. The very fear—the anticipation of that tariff coming in at no distant date—will have the effect of making merchants in this colony refrain from purchasing stocks, stocks will fall to the lowest possible point, and the revenue must diminish in proportion. Not only will we have a falling off of revenue owing to the drought, which has caused great losses to the pastoralists; not only will there be a falling-off in the revenue from railways from the same cause, but we shall also have less volume of imports into the colony, so that there will be a large decrease in the revenue in many ways, and therefore I do not see how the Treasurer's figures can be realised.

The CHIEF SECRETARY: Do you anticipate all that to come into effect by the 30th June next?

Mr. HARDACRE: Yes; before the end of next June we shall have the Federal Parliament discussing the probable Customs tariff; and before then the merchants—in anticipation of a different tariff—will have shortened their stocks, and so reduced the revenue. I do not wish to be an alarmist, and I have certainly no wish to be called a "calamity howler"; I do not wish to pose as a Jeremiah; but, I want to say, that whether we have a surplus or not this year—and we know that surpluses can be manufactured by leaving over certain payments, and by defraying certain expenditure out of loan money; in that way the Government can make a surplus. But whether we have a surplus this year or not, in my opinion it will be the last surplus that we are going to have for many years to come. We are just now entering into a Treasury cyclonic storm, which will take whoever is at the helm all his tact, ability, and genius to weather, to save the ship of State.

Mr. JENKINSON: The lamentations of the prophet!

The TREASURER: Give us some reasons for such statements.

Mr. HARDACRE: I will give my reasons. A uniform tariff must be established, and, as I said before, we know that the incidence of that tariff will be different to our present tariff, and we also know that whatever the uniform tariff will be, it will be lower than that existing in Queensland now.

Mr. GROOM: It is impossible for you to say that.

Mr. HARDACRE: It is neither impossible for me to say that, nor is it impossible for me to prove it. I will prove it. It is as certain as anything politically can be certain that the federal tariff will be lower than the tariff at present existing in this colony. I have the latest figures with regard to the revenue derived through the Customs in this colony, and I will give this revenue, from the highest to the lowest, in all the colonies. Excepting Western Australia, Queensland derives the highest amount of revenue per head—that is, £3 4s.; Tasmania, £2 9s. 6d. per head; Victoria, £1 19s. per head; South Australia, £1 14s. 6d. per head; and New South Wales, £1 5s. 6d. per head. Every other colony derives a lower revenue through the

Customs per head than Queensland does. Taking that basis, every member in the Federal Commonwealth will undoubtedly use his influence and his vote against increasing the duties in his own colony. They will oppose increased taxation in the interests of the community which they represent; they would vote against any higher tariff than at present exists in their own colony. Their force and influence will be used to pull down to their own level, and, as Queensland is the highest, with the exception of Western Australia, there will be the members from four colonies pulling down the tariff to a lower level than that of Queensland, whilst we shall have only the representatives from Queensland and Western Australia striving to keep up the level. For this reason it is inevitable that the federal tariff must be lower than that of Queensland.

Hon. G. THORN: Western Australia will not come in for the first five years.

Mr. HARDACRE: I am just coming to that point. I have another basis which gives practically the same results. In order to make my position as sure as it possibly could be made, I have also taken the different tariff rates in force in the various colonies, and I find that with one exception Queensland has the highest tariff rate. Victoria has the highest rate, then comes Queensland, and it came as a surprise to me to find that the tariff in Western Australia is the lowest but one in all the colonies. I dare say most hon. members were under the same impression as myself—that Western Australia had a very high tariff—but, with one exception, it is the lowest in the colonies. I can only come to the conclusion that the enormous Customs revenue in that colony is due to the fact that nearly the whole of the things that are consumed in the colony are imported. The *ad valorem* rates run as follows:—In Victoria they range from 30 to 35 per cent.; in Queensland they range up to 25 per cent.; in Tasmania they go as high as 20 per cent.; in South Australia they range from 10 to 25 per cent.; and in West Australia they range from 5 to 15 per cent. Of course, New South Wales is the lowest, as they have practically freetrade. Now there again there will be four colonies using all their influence to pull down the federal tariff to lower rates than prevail in Queensland, whilst on the other side the representatives of Victoria and Queensland will try to keep them up.

Mr. McDONALD: And Queensland will be divided into North and South.

Mr. HARDACRE: Yes; Queensland will be divided against itself. Of course Western Australia has five years under its graduated reduction of tariff in which to adjust its finances, which will enable that colony to pull through, but we have no such provision to help us. Taking those two reasons, it is as certain as anything can be politically certain beforehand that the uniform tariff will be very much lower than that now in force in Queensland. Of course I believe this will be to the benefit of the people, but I am now dealing with it from the Treasurer's point of view. The dislocation of our finances will be so great that it will take whoever may be at the helm all his time to save the ship of State from shipwreck. Our rate of taxation is £3 4s. per head. Now, the late Premier and present Chief Secretary, in his manifesto to the electors in 1899, gave it as his deliberate opinion that the uniform tariff would be about £2 per head—that is a little higher than the rate in Victoria and a little lower than the rate in Tasmania. I should imagine that that will be approximately about the level of the federal tariff. At that rate Queensland will lose the difference between £3 4s. and £2 per head, which, with a population of about 500,000, will mean a loss of no less than between £500,000 and

£600,000 in our finances. That is the same conclusion as that arrived at by the hon. member for Bulloo when speaking on the Address in Reply.

Mr. GROOM: That is quite right.

Mr. HARDACRE: When the hon. member for Bulloo went to the freetrade conference in New South Wales some time ago, and which consisted of members from all the chambers of commerce in Australia, he asked the delegates from the other colonies how they could expect the Queensland delegates to fight for freetrade when this colony was going to lose between £600,000 and £800,000 a year. That was the contention of the anti-billies. I do not know whether the hon. member for Toowoomba pointed it out, but many anti-billies in this colony called attention to the financial difficulties that were likely to arise from the establishment of federation under the Commonwealth Bill.

Mr. GROOM: I put the loss at £600,000 per annum.

Mr. HARDACRE: I challenge anyone who likes to investigate the matter to contradict roughly my estimate that for the first couple of years we shall lose between £500,000 and £600,000 under the uniform tariff, without taking into account our share of the federal expenditure. This tremendous "slump" in our finances will give trouble to our ablest financiers in making our accounts balance.

Mr. JENKINSON: They accepted the Commonwealth Bill with their eyes open.

Mr. HARDACRE: I am pointing out now what we shall have to face, and I am surprised that the Treasurer, in view of the early establishment of a uniform tariff, did not deal with it at greater length in his Financial Statement, as he only gave it a passing reference.

The TREASURER: It would only have been a waste of time.

Mr. HARDACRE: It would not have been a waste of time at all. The crisis is coming on us in the near future.

The TREASURER: Wait till the tariff is fixed, and then you can talk about it.

Mr. HARDACRE: We can know now what the tariff is going to be.

The TREASURER: Can you?

Mr. McDONALD: What is the use of talking about it after it is fixed?

Mr. HARDACRE: I have pointed out that the tariff must of necessity be immeasurably lower than our present tariff. We know what human nature is, and we know that the representatives sent down to guard the interests of the various colonies will object to increased taxation being imposed upon their colonies, and we also know that the majority of those members will represent colonies where the tariffs are lower than ours; and, therefore, I say that if we have a surplus this year it is the last we are likely to have for many years to come. I want now to deal with the question of our loans, and the way in which they are likely to be affected by the establishment of federation. I am not of opinion that the last loan was floated at the very low rate. I do not think we did so badly, or that our credit stands so very low at the present time. We floated the loan at about £3 8s. per cent. Of course we have floated loans in the past at very much higher rates than that, but when we floated our last loan the market was in a very peculiar state. It was just after the difficulties arising through the Transvaal war, and whilst the money market was in a very disturbed condition. I think we have to judge the state of our credit on the London money market not so much by the success or non-success incidental to the flotation of a loan, which is affected by all kinds of incidents, but by

the current price obtainable for our debentures and consols generally. Looking through the *Investors' Review* in regard to this matter, and comparing the price of our 3 per cent. stock with the 3 per cent. stock of the other colonies, I find that the price of Queensland stock is £3 4s. 6d.; South Australia, £3 12s.; Victoria, £3 4s. 6d.; Western Australia, £3 9s. 3d.; New Zealand, £3 3s. 3d.; and New South Wales, £3 0s. 9d. So that we stand very fairly as compared with the rest of Australasia. In looking into this matter I also came across the prices of other colonial securities, not Australasian, and it will be interesting to quote them. The Canadian Dominion is able to float loans at  $2\frac{1}{2}$  per cent., and the price they are worth, including redemption, is £2 19s.; British Columbia 3 per cents., £3 6s. 6d.; Manitoba 4 per cents., £3 15s.; Quebec 3 per cents., £3 9s. 9d.; Jamaica 3 per cents., £3 8s.; Ceylon 3 per cents., £3 2s. 3d.; Newfoundland 4 per cents., £3 11s. 9d.; and Cape of Good Hope 3 per cents., £3 5s. Now, one of the lessons to be drawn from that is this: The credit of the Canadian Dominion is very much higher than the credit of its provinces, Quebec or Manitoba—showing what we may expect on the establishment of federation. Whilst the credit of the Commonwealth will no doubt be higher, the price at which we will be able to float our local loans will be very much lower. Our credit will diminish while the Commonwealth credit will increase. In that case, therefore, I think we may fairly anticipate, whether the last loan was floated cheaply or dearly, that the loans in future will be floated at much greater expense and much less advantageously than the last loan. In fact, in my opinion the last loan will be the last cheap loan, and the surplus will be the last surplus that this colony will have for some years.

AN HONOURABLE MEMBER: You are a pessimist.

MR. HARDACRE: I do not desire to be pessimistic, but I think those are inferences which may logically be drawn from the facts I am placing before the Committee. Seeing that that is the case, it becomes a question how we in future are going to deal with our finances. How are we to go on with the construction of our public works and railways? How are we going to meet the very great slump in our revenue returns which is likely to come about on the establishment of a uniform tariff? I am convinced that financial difficulties are certain to come, and I do not agree with the Treasurer in admitting our helplessness, and calling in syndicates from the old country to construct our railways.

THE TREASURER: When did I admit our helplessness?

MR. HARDACRE: It is an admission of failure on the part of the Treasurer to say that he cannot borrow money sufficient to construct our public works and railways, and that in consequence we have to construct these important works by means of private companies.

THE TREASURER: I never said so.

THE CHIEF SECRETARY: You are justifying it by your action.

MR. HARDACRE: Not at all. I have not admitted for a moment that there is no other way of coping with the difficulty. In my judgment, it would be better to go back to borrowing at 4, or even 6 per cent., and construct railways by that means rather than throw them into the maws of syndicates which will make us pay in the long run far more than we should have to pay on the London money market. However, that is a matter which I do not now intend to go into.

MR. REID: You will have the Government resigning if you do not look out.

MR. HARDACRE: I think one way which would enable us to pay the expense of constructing our railways is by the adoption of the betterment principle. I remember proposing the adoption of that principle in connection with our Sugar Works Guarantee Act in 1893. I proposed then that a certain rate should be levied upon all lands within a radius of five miles of these sugar works, and if that principle had been adopted there would have been no financial difficulties, and no insolvency on the part of any of those mills. If the benefited land had had a tax imposed upon it, and the money had been devoted to paying interest on the amount borrowed, there would have been no difficulties at all. I am emboldened to suggest the application of this principle again from the fact that the Railway Commission which has been recently sitting have been impelled to make a similar suggestion in regard to the Nanango extension by reason of the evidence which came before them. In their report they say—

*Nanango to Esk Line.*

There are also many settlers upon the portion of Colinton, the lease of which expired some few years ago, to be considered; and it is highly probable that the very large freeholds of Colinton and Cressbrook would be cut up either for sale or lease if railway communication were extended beyond Esk. That the railway would add very considerably to the value of these freeholds is beyond question, but it is one of the problems of land and railway administration with which your commission do not feel called upon to deal—how this increment arising out of railway construction could be appropriated by the Government. Your commission conceive that they have discharged their duty when they have called attention to the fact.

Then they call attention to the same matter in another of their reports on the Pittsworth-St. George railway, in which they say—

In their report upon the Nanango line, your commission have made some remarks about the large freeholds of Cressbrook, Colinton, Durundur, and Kileoy, to which they beg reference, as they apply with equal force to the case of the Yandilla freehold.

I think it is admitted that the construction of railways does enhance the value of land in the localities where they are constructed, and while I admit that the question of applying the betterment principle is a very difficult one to deal with in a large colony like this, where so much of the land is Crown land, yet I think it is possible to do something in the direction I indicate. We have dealt with it to some extent in our Railways Guarantee Act, which provides that a certain rate shall be imposed upon land within the benefited area.

In New Zealand, a year or two ago, [5.30 p.m.] it was suggested in a Bill that there should be an assessment of freeholds in the vicinity of a railway before the railway was constructed and also after the railway was constructed, and that one-half the increased assessment should be taken as a basis for the rate imposed for the purpose of paying the expenses of the railway. If they only take one-half the increment they will err on the safe side, and leave a large margin to the owner of the land. That would certainly enable us to get some of the benefit the railway creates, and help us to pay for the working of unremunerative railways, and also to build many more railways than would otherwise be built. The increment of value caused by the construction of a railway is as much a service to the owner of the land as is the carriage of passengers and goods to the people who have to pay for those services, and I don't see why the owners of land should get off scot free from any payment for the benefit they receive, while others have to pay for the services rendered to them. In

order to meet the decrease in our finances, we shall be inevitably driven to some new forms of taxation, and these new forms, in my opinion, should include a tax on absentees, a tax on income, and a tax on land values. I have before pointed out one example of the necessity for a tax on absentees in connection with Mount Morgan, one of the richest mines in the colony. Three of the shareholders own no less than 411,000 shares, eight own 511,000, and eleven shareholders own no less than three-quarters of the whole 1,000,000 shares, and the eleven shareholders, with one exception, live out of the colony, drawing the revenue from the mine protected by the Government, and expending the money elsewhere. Sir Horace Tozer, just before he went away to the old country, made a tour through the South-Western districts of Queensland, and pointed out what was to him the most astonishing fact, that nearly the whole of the stations there were in the hands of absentees, who spent the revenues derived from those holdings, when there were any. Of course, there were times when they were not getting anything out of them.

Mr. LEAHY: Where did the money come from to supply the deficit in those cases?

Mr. HARDACRE: It is very evident that those runs are remunerative, or they would not continue to hold them. In fact, I know some are the finest sheep runs in the colony, and what proves it is the fact that they have gone to the expense of fencing with rabbit-proof netting, because nobody would go to that expense in the case of a poor holding.

Mr. LEAHY: What run is that?

Mr. HARDACRE: I cannot tell you just now.

Mr. LEAHY: I knew you could not.

Mr. HARDACRE: I admit that I am not as well acquainted with the district as the hon. member, but I have here a list of some of the finest runs in that part of the colony—Dillalah, Comongin, Murweh, Claverton, Yarmouth, Coongoola, Charlotte Plains, Burrenbilla, Weelamurra, Bindebango, Yancho North, Goomburrah, Mulga Downs, Brenda, Cubbie, Doondi, Noondoo, Woolerina, Newinga, and Cashmere.

Mr. LEAHY: Tell us some of the runs of which Sir Horace Tozer was speaking.

Mr. HARDACRE: It was the same place as the runs I have mentioned. I may say that I do not advocate a tax upon absentees because I want to tax absentees. I am opposed to all taxes, if we could do without them, but, in fairness to those residents of the colony who by the very fact of residing in the colony have to contribute, through the Customs, more of the revenue of the colony than those who are absent, I think it is only right that we should impose some special taxation upon those who are absent to make the total amount contributed by them something equal to what is contributed by people who reside in the colony. Then there should be a tax on income. That is a tax which certainly can, to some extent, be removed from the man who pays to the mass of the people who purchase the things out of which he makes his income; but an income tax does not fall so heavily on the mass of the people as does Customs taxation. Why I advocate an income tax is that it is the best of bad taxes.

Mr. LEAHY: Do you advocate further taxation?

Mr. HARDACRE: I have been trying to point out that, owing to the establishment of a uniform tariff, there will be a slump in our finances—a decrease of, roughly, about £500,000 or £600,000, or, as the hon. member himself said, of £800,000. That will have to be made up in some way or other, and I am pointing out the best way. I am pointing out that two of the

best taxes for which we can go are a tax on absentees, and a tax on income; and the next, which is of more importance in my opinion, is a tax upon land values. Every economist of repute has pointed out over and over again that one of the fairest of all taxes is a tax upon land values, because land is specially increased in value through the expenditure of public money and the general progress of the country, and the increase of the population. It increases in value, not because of any effort on the part of the owner, who simply benefits by the energies and industries of the surrounding people; and as the community gives that income the value it has, the community in justice, at least should derive some of the benefit which it creates by that method of taxation.

Mr. BRIDGES: Could not we raise a little on bachelors?

Mr. HARDACRE: Well, we might on bridges, but I am not sure about that. I am sure that not only is that a just way of raising revenue, but it would actually have a great effect, by forcing the land that at present lies idle for speculative purposes into the market, and make it cheaper, and so facilitate the employment of men on it. Land is the one raw material that enters into all industries. It is the raw material of the farmer; it is the raw material necessary for building factories, shops, and warehouses; and it would even make that raw material cheaper by forcing the present idle, locked-up land into the market, and so increase the supply, and decrease the price in correspondence with the local supply and demand. By increasing the supply of land, we shall lower the price of the raw material that enters into every industry, and we shall increase the profits of industries. Now, I have just one other matter I wish to deal with, and that is one of special interest to the hon. member for Bulloo. That is the present insistence and persistence of certain people for an extension of the pastoral leases. I do not know whether I am exactly in order in discussing that just now, but I hold that the settling of people on the lands of the colony and the question of the rents of pastoral runs are certainly matters that very greatly affect our finances. Now, it has been the dream of almost all taxation or revenue reformers that the whole of the revenue should be derived from territorial resources, from the rents of the lands of the community, so that they would be able to do away altogether with taxation of other kinds. I know no place in the whole of the world where that dream could be more easily realised than in Queensland.

Mr. LEAHY: It is realised now—as a dream.

Mr. DAWSON: As a dream it is, but not as a reality.

Mr. KINSTON: It is like the Premier's dream.

Mr. HARDACRE: When Mr. Dutton passed the Land Act of 1884 there were great anticipations, as the hon. member for Drayton and Toowoomba has told this House, that there would be an enormous increase in the rents from our runs, and in territorial revenue generally, on account of the increased settlement which would be brought about by the operations of the land laws generally.

Mr. GROOM: £1,000,000 a year.

Mr. HARDACRE: It was thought we were going to increase by leaps and bounds.

Mr. FORSYTH: It did not come off.

Mr. HARDACRE: That expectation was not realised. The result was very disappointing, and there were very good reasons for it. I may say that one of the reasons was that immediately after the passing of that measure there was a very severe drought lasting for several years.

Mr. LEAHY: Just at the time of the passing of that Act.

Mr. HARDACRE: Just after the passing of that Act, and then, as we know, the rents once fixed could not be re-appraised for seven years. There was the drought, as I say, and also the withholding of the grazing farm clauses from effect, in anticipation of the passing of the Land Grant Railways Act. That was another reason why the increase in the revenue returns did not take place as was anticipated. I may say that we are now just beginning to realise to some extent that in the great anticipations that were formed at the time of the passing of that measure in 1884—that the rents of our pastoral holdings would generally increase—there was an error, and for a very good reason. It has often been wondered why the rents from our pastoral runs are not greater than they are, and it has been demanded that they should be greater, and we have had them compared with the rents in New South Wales. But I think there is a very good reason for it, and that reason, I believe, is very largely in the Act of 1884 itself. There is no doubt that the Land Boards and the Land Courts have been prevented to a large extent from increasing the rents of runs where they should have been increased by the moral influence of the fact that the previous rents were low, and it always becomes an effort to increase rents to a very large amount. When that is attempted to be done there is at once fear of trouble. There is also the influence of friendship—not friendship exactly, but hospitality—which more or less may unconsciously bias the mind. Then there is the fact that a large section of the community, which have large political power, are interested in keeping these rents low. That is one fact which, I believe, has operated in keeping rents low, and preventing them raising the rents by a considerable amount. For these reasons, it would be impossible to make a big jump in the rents, if for nothing else. You cannot do everything by big leaps, and if they have endeavoured in some cases to raise rents they have been prevented from raising them considerably. There is one other reason. When the Land Court some time ago endeavoured to raise rents they were met by an appeal to the Supreme Court. They were met by the decision of the court, by which not only was their appraisal not supported, but it was actually reduced below the minimum, or below what was thought to be the minimum. There, I believe, we are face to face with the difficulty now in regard to a large number of our rents, and in getting proper rents—

Mr. LEAHY: Why do not you hold me responsible for it?

Mr. HARDACRE: I am discussing now the difficulty why the rents are not so large as they should be, but I say I believe that the total rents from the runs of this colony should be larger than they are at the present time, and it is a lamentable fact that, instead of increasing, they are stationary.

Mr. LEAHY: The point is that they do not know good country from bad.

Mr. HARDACRE: I do not think that the Land Courts are to blame for that. They have been met by the decision of the Supreme Court, and under the Act of 1884 the appeal is taken out of the hands of the Land Courts, and sent to the Supreme Court.

Mr. LEAHY: The rents were fixed before that decision. That is only a recent case.

Mr. HARDACRE: Under the Act of 1884 there are certain rules laid down which I think have had a great deal to do with the low rents that have been fixed. The rents of runs were to be fixed on certain conditions—the fitness of the land for grazing purposes, the number of stock it would carry in an average season, the distance from railway and water carriage, the natural

supply of water, and the facilities for raising water; and then the well-known subsection (c), which provided that there should be taken into account, in estimating the rental for the second and third periods of five years, the relative value of the holding at the time of the assessment as compared with the value at the time of the commencement of the lease. It was that very subsection which prevented the court raising the rents by anything but a purely nominal sum.

Mr. LEAHY: You are wrong, for the court read it the other way.

Mr. HARDACRE: Then there was a provision that the annual rent for each period should not exceed the annual rent payable in the last preceding period by more than half, and it was those definite limitations in the Act of 1884 which have prevented any appreciable increase of rent, and the realisation of an adequate revenue from our lands. In the Act of 1897 these rules were considerably altered, and the Land Court can give a decision which will prevent further appeals to the Supreme Court, and the consequent expensive litigation. For a considerable time the Land Court has not dared to increase rents for fear of this litigation ending in a reversal of their decision, as was done in a previous case.

Mr. LEAHY: The appeal remains all the same.

Mr. HARDACRE: Of course it does in the case of runs under the 1884 Act, under which the largest number of the runs of the colony are leased, and I am pointing out that, in any endeavour to increase the rent of runs under that Act, the court is met with the fact that there may be a costly appeal to the Supreme Court, where, on account of a preceding decision, their decision may be reversed. I say it is a big thing for them to dare in the face of a decision of that kind. But, under the 1897 Act, we have altered those rules in such a manner that there is no limitation upon the increase of rent; anything the court thinks may affect the question of rent may be taken into consideration; and, in addition to that, the court has itself the sole power in its hands of ultimately deciding the matter, and the decision is not taken out of its hands and put into the hands of the Supreme Court.

Mr. LEAHY: But there are no leases under the Act of 1897, are there?

Mr. HARDACRE: No, not yet.

Mr. LEAHY: And you may say there will never be.

Mr. HARDACRE: I have brought up the question of the extension of pastoral leases, and while many members are opposed to the introduction of a Bill to extend the pastoral leases, I am of opinion that we should not say "Yes" or "No" to the extension of pastoral leases, because everything depends upon the conditions of the proposed extension, and the runs to which it will apply. There are some runs in the colony to which it would be a perfectly safe and even a good thing for the colony that extension of lease should be granted; but there are others to which no man in his sane senses would grant an extension of lease for a single year or for a day.

Mr. HIGGS: But all will want the extension without any distinction.

Mr. HARDACRE: I would welcome a Bill to provide for the extension of pastoral leases under proper conditions, for the reason that we might then be able to bring a large number of the runs at present under the Act of 1884 under the new rules with regard to rents of the 1897 Act, and so enable the country to get a proper revenue from our lands.

Mr. LEAHY: The rules are the same, except for the maximum and minimum.

Mr. HARDACRE: I have pointed out that they are not the same, because there is no subsection (c). The court can finally decide and so avoid the interference of the Supreme Court

and that is a most important alteration. There will be a necessity, at no distant date, for some kind of Bill to deal with the pastoral leases. While some will not fall in for many years, others are falling in within the next two or three years. I have a list here of no less than seventy runs, the leases of which fall in within three years; and of 440 runs, the leases of which expire in seven years from the present time.

Mr. TURLEY: For the whole of the runs?

Mr. HARDACRE: Yes, for the whole of the runs.

Mr. LEAHY: Are these under the 1884 or 1886 Act.

Mr. HARDACRE: These are under the 1886 Act.

Mr. LEAHY: Within three years you said.

Mr. HARDACRE: On consideration these must be under the 1884 Act. In the Darling Downs district there are 13 runs, the leases of which will expire in three years; in the Burnett, 10; North Kennedy, 8; Leichhardt, 16; Maranoa, 13; Mitchell, 5; and Warrego, 5. Of those the leases of which will expire in seven years there are on the Darling Downs, 49; Burnett, 53; Kennedy North, 70; Kennedy South, 16; Leichhardt, no less than 124; Maranoa, 48; Mitchell, 38; and Warrego, 42. Then there are no less than 381 runs, the leases of which have from over seven years up to eighteen years to run. We cannot deal with these now, but we must necessarily make some provision for the very large number of runs, the leases of which fall in within the next three years or seven years. It is a most complicated question, and I admit I see no possible chance of its being dealt with this session. It involves so many considerations—the leases running from one year up to eighteen years, some of the land being required for settlement and some not—that it would puzzle any Secretary for Lands to frame proper provisions to deal properly with the question within the short remaining period of this session. I believe some kind of a Bill is necessary; but

whether hon. members on this side [7 p.m.] would give such a Bill their support would depend a good deal on the conditions contained in it. But I think the problem could be simplified by classifying the whole of the runs which would be concerned into three classes, namely:—Cattle runs, which would comprise the largest number of runs to be dealt with; secondly, sheep runs which are situated within rabbit boards districts (they have already obtained an extension of seven years, in addition to the seven years under the 1886 Act, by the Acts of 1892-1897); then the third class would be the other sheep runs, nearly the whole of which are situated in the Peak Downs, Spring-sure, and Mitchell districts—north of the Central Railway. With regard to the cattle country, I think there would be very little danger in locking them up, because the pastoralists propose that we should take one-quarter resumption of the leases becoming available under the Act of 1886, and another quarter after another seven years, and the remaining proportion seven years after that. Most of the cattle stations on the Darling Downs would not be dealt with under such a Bill, because they are in settled districts; but with the exception of a few cattle runs in the immediate vicinity of townships, which will be required for settlement, a large proportion of them are far away from centres of population, and as we have such a large area available now, I think there is no likelihood of locking up country by complying with the requests made.

Mr. KERR: Is that your opinion?

Mr. HARDACRE: I am speaking of the cattle country, which, speaking generally, is rough, of an inferior nature, and is not in much demand. They are mostly stations a long distance

from railways. I would preserve all the country near towns, wherever it is likely to be required; but most of this country is not likely to be required for settlement.

Mr. REID: You are referring to cattle country?

Mr. HARDACRE: Yes. Now sheep country is greatly sought after. Owners of these sheep runs have had an extension of their leases, and I would deal with them specially in such a way that instead of locking up the country it would be unlocked. There is only a small number of these sheep runs which have not got extensions—Bowen Downs, Saltern Creek, Coreena, Rodney Downs, Green Hills, Beaconsfield, Darr River Downs, Evesham, Kensington Downs, Lerida, and Katandra. Every one of those is a good station, and under no circumstances would I give an extension of lease to them. All that country is required for settlement; it would be eagerly taken up, and that would be of enormous advantage to the colony. When I was on Bowen Downs about two years ago, I was informed—and my information was perfectly accurate—that the grazing farm selections on the resumed area of Bowen Downs sent more wool away annually than the whole of the run had sent away previously.

Mr. REID: How many selections were taken up?

Mr. HARDACRE: I don't know; but I know the area of the leaseholds is immense—something like 20,000 square miles.

The TREASURER: You refer to Mount Cornish.

Mr. HARDACRE: It is all the same. It was all formerly Bowen Downs. The information given to me was absolutely correct.

Mr. BELL: It is not a good thing for the resumed country.

Mr. DAWSON: Why?

Mr. HARDACRE: I think we may take it as a matter of common experience that the small area of a grazing farm will run more stock in proportion than a large holding, because there must necessarily be a great deal of waste.

The SECRETARY FOR RAILWAYS: How much stock is on it at present?

Mr. HARDACRE: I do not know.

The SECRETARY FOR RAILWAYS: Practically none.

Mr. HARDACRE: Every hon. member knows that when the country is occupied by small settlers it runs more stock than it did previously. Then there is Wellshot, another station right on the railway line, between Barcaldine and Longreach. In fact, all the runs round Barcaldine, Longreach, Blackall, Aramac, and Muttaburra include the best sheep country in the colony; and, however we may regret that those at present in occupation of those runs will have to go, still, in the interests of the colony, I for one will give no consideration to any proposal to extend their leases. They only have another seven years to run, and when that time expires they will have to give way to a better class of settlement, and one which will produce more wool, more revenue, more railway traffic, and more population. All those runs are so geographically situated that it will be an easy matter to schedule them. The cattle country can be dealt with in a fair way without any detriment to settlement, provided we safeguard those runs that are immediately surrounding centres of population. I have a list of the runs to the south of the Central Railway line, extending right down to the border, and for the sake of having them placed on record I shall read the names of those which have already got extensions of lease in consequence of having wire-netted their holdings:—Wellshot, Maneroo, Strathdarr, Corona, Lovatt Downs, Westlands, Portland Downs, Barcaldine Downs, Avington, Alice Downs, Malvern Hills, Eborah, Northampton Downs, Isis Downs, Ruthven, Albilbah, Binnerah,

Emmett Downs, Terrick Terrick, Lorne, Listowel Downs, Ravensbourne, Minnie Downs, Lansdowne, Langlo Downs, Nive Downs. They are all well-known runs right in the heart of the sheep country—in fact, they are the only sheep country in the colony practically.

The TREASURER: The only sheep country in the colony?

Mr. HARDACRE: I say they are practically the only sheep country in the colony.

The TREASURER: You ask the hon. member for Flinders about that.

Mr. HARDACRE: I have not mentioned any of the runs in the Gregory district, because they have long terms yet to run, although they have not obtained extensions under the Pastoral Leases Extension Act. Some of them have sixteen years still to run. The reason for that is that on account of their being further out they did not come under the operation of the Act of 1886 until some time later than the rest of the runs in the colony, and therefore their leases commenced later, and consequently expire later. The most of them have from eleven to seventeen years still to run.

Mr. KEER: Binnerah has twenty-one years to run.

Mr. HARDACRE: All those that I have read out have extensions under the Pastoral Leases Extension Act of 1892, and, therefore, have long terms still to run. Coming down now to the Warrego and Maranoa districts, there are:—Dillalah, Comongin, Comongin South, Murweh, Claverton, Yarmouth, Coongoola, Charlotte Plains, Burrenbilla, Weelamurra, Bindebango, Yanco North, Goomburrah, Mulga Downs, Brenda, Cubbie, Doondi, Noondoo, Woolerina, Newinga, Cashmere. Everyone of those runs has been fenced with rabbit-proof netting, and has therefore got an extension of lease. The pastoralists propose that there should be a series of progressive resumptions to meet the demands of settlement. They start with a capital account of 63,000,000 acres—37,000,000 acres of resumed areas which are available at the present time, and 26,000,000 acres under occupation license. They propose to draw on that to satisfy the yearly demands for settlement, and to add to it as the resumptions fall in, and they propose to have a final balance of 6,000,000 acres in reserve. That would look very well if the figures were really fair, but they are not fair. The sheep owners have pressed the cattle-owners into their service, and they have taken the whole area in the colony, including both sheep and cattle runs, knowing well that there is no demand for cattle country compared with what there is for sheep country. However, they have included them all, and, having averaged the total, they show that there is plenty of land open for settlement, while carefully masking the real facts of the case—that the demand is only for sheep country.

Mr. BELL: You know very well that inside there is a tremendous demand for cattle country.

Mr. HARDACRE: Inside where?

Mr. BELL: In the Burnett district.

Mr. HARDACRE: There may be a demand for cattle country in a particular place, but the general demand for cattle country is nothing like so intense as the demand for sheep country. Then, again, we know that a great deal of the country that is held under occupation license is either dense forest, brigalow country, or flooded, or desert, or mountainous country that will never be taken up, and yet we are told that there is plenty of land available for settlement. I do not say that these figures are intentionally misleading, but certainly they lead to a wrong conception of the true state of affairs. I would just warn the cattle-owners against being made a cat's paw of by the sheepowners in order that the latter may lock up their country, which is

mostly in demand for close settlement. The sheepowners are always endeavouring to enlist their services when they want their help, but they do not care about coming to the aid of the cattle-owners.

Mr. BELL: What is to happen to the cattle-owners?

Mr. HARDACRE: I see no objection to allowing their runs to come under the conditions proposed by the deputation, as it will not lock up any land required for settlement. From their own showing, starting with that balance, there will not be sufficient land for settlement generally throughout the colony. I have a letter here—which is typical of many which I receive every week—and for the benefit of the Committee I will read it. The writer says—

August 2nd, 1900.

SIR,—Just a few lines to let you know I have found out when the lease of ——— Run expires—that is, when one-fourth of the run can be resumed. I suppose the station-owner will try and get an extension of the lease. Now, there are lots of people clamouring for land, and every bit that was open on this run has been taken up; even the rocks and the mountains have been taken up. I may mention that all the runs round this part of the country and Clermont are in great demand for selection purposes. It will be your place to oppose all the renewals of leases in this part of the country. I myself will take up ten thousand acres on ——— country, and there are lots of other people that want land here.

I am yours, etc.

Mr. Hardacre, M.L.A.

I could quote other letters which I receive every week on the same subject, and it would be a crying shame to give extensions of leases which would in any way block settlement, and refuse land to people who are prepared to make four times the use of it. We cannot afford to give extensions of leases for sheep country outside the rabbit districts on the liberal scale suggested by the pastoralists, but there is another class of runs, those which are within the rabbit board districts, and which still have a long term to run, to which we can afford to give an extension, provided the lessees are prepared to give us a *quid pro quo* in the shape of concessions of land which we can throw open for settlement. Under the 1897 Act there is a principle under which if we resume land we may, instead of giving compensation in the shape of money, give it in the shape of an extension of lease for the balance of the country which we have not resumed, and that extension of lease is to be exactly proportionate to the area of country that we take away. The clause says—

The period to be added to the term of a lease under the provisions of the last preceding section shall be computed so that the added period shall bear the same ratio to the unexpired period as the area resumed bears to the area unresumed.

That is to say, that if the lease has fourteen years to run, we may fairly give an extra years' lease for one-fourteenth of the run, or two years for two-fourteenths, or three years for three-fourteenths. In that manner we should be able to get land which is much required for settlement, and a proposal of that kind would, I think, work out very fairly indeed. At the present time we can only take one-fourth of the country, and after that we can take no more for fourteen years, and if we adopt the plan I suggest, we give the pastoralists the added security which they require, and get a *quid pro quo* in the shape of land which is required for closer settlement. That is the way in which I would solve the problem. I believe it would be an advantageous bargain to the colony, and a fair one to the pastoralists. Now, I have taken up more time than I intended, and I am afraid I have set a very bad example to the Treasurer. There are one or two other matters of minor importance which I should have

liked to say a few words upon, more particularly the Agricultural Lands Purchase Act, and the loans to farmers. I am glad to say that the former is at last proposed to be amended in the way we strongly contended for when the original Bill was going through—that is to say, that these repurchases, before they are finally agreed to, are to be laid before Parliament. That action has been pressed upon the Government on account of the bungling which has taken place in the administration of the Act, and I am convinced that the colony is going to suffer on account of some of the repurchases financially, whatever they may do towards increasing settlement. The proposal to grant loans to farmers ought certainly, I think, to be brought forward at the earliest possible moment. The principle is in force in all the other colonies nearly, and it is high time that we followed suit. I will not now say any more. Although I have perhaps pictured rather a bad time for Queensland in the near future, yet I think with good management we will get over our difficulties. I see in this colony immense possibilities for progress, and although I have predicted bad times I am by no means a pessimist. On the contrary I am inclined towards optimism. With our immense resources in the shape of land, with our freedom from the abuses which exist and the injustices which flourish in older lands, there ought to be great things before us. I am sure the Treasurer is as anxious as anyone else to increase, by good legislation, the happiness and prosperity of the people, and I hope by that means to yet see in this colony the realisation of the poet's idea—

In this new childhood of the world,  
Life of itself shall leap and play;  
Fresh blood through Time's shrunk veins be hurled,  
And Labour meet delight half way.

HONOURABLE MEMBERS: Hear, hear!

Mr. GROOM (*Drayton and Toowoomba*): The hon. gentleman who has just sat down stated in his preliminary observations that the Financial Statement was generally regarded as the most important document that could be laid before the House. In that opinion I entirely concur. This is the only opportunity given to members of criticising the financial operations of the Government during the past twelve months, and also their proposed expenditure during the coming twelve months, and I do not think it is either just or wise on the part of critics to say that members are wasting time in discussing the Financial Statement. I think members are only discharging their proper functions in criticising the Financial Statement. May I not ask hon. members opposite what the Financial Statement is for, if it is not for the general enlightenment of the public and for public criticism? We have here quite a different system to that adopted in the House of Commons. There the proposed expenditure of the Government for the coming twelve months is referred to a Grand Committee, which also has power to investigate the expenditure of the Government for the past twelve months; and I dare say it will be within the recollection of some hon. members, who have followed Imperial practice, that the grand committee on one occasion called upon a Governor of Cape Colony to refund a very large sum of imperial money which had been improperly spent. Their contention was upheld by the House of Commons, and the money was refunded.

Mr. McDONALD: That would be a very good practice in this colony.

Mr. GROOM: That is a matter of opinion. Perhaps it may be said that the Auditor-General takes the position of the Grand Committee in investigating the expenditure of the Government during the past twelve months, and when the Estimates are laid before Parliament it can

criticise the proposed expenditure for the next twelve months. I make these observations because I do not wish to be charged with wasting time. I am not going to weary the Committee with a long speech, but, at the same time, I think I should not be doing right to my constituents if I allowed the debate to close without expressing myself on one or two matters which I

think deserve criticism. As far as [7.30 p.m.] the expenditure of the past year is concerned, looking over the tables the Treasurer has supplied with his Financial Statement, I have nothing to complain of, but I complain of this: I think the Financial Statement should not be brought up in the form of a report of each department of the State.

HONOURABLE MEMBERS: Hear, hear!

Mr. GROOM: If we want to know how the various departments are being conducted, if we want to know how each of the Under Secretaries does his work, how the Harbours and Rivers Department is carried on, and the expenditure of that department in detail, if we want to know how the Agricultural Department is conducted—if we want to know any of those things, we have means of access to other documents which will give us the information, without having these voluminous details introduced, as a sort of padding, to the Financial Statement. This practice is quite novel; it is only of late years that the system has been followed. I think the Financial Statement should be a Financial Statement in reality—it should be confined to the finances of the country. If the Treasurer wishes to introduce additional taxation, he should give his reasons for doing so; if he wishes to reduce taxation, the reasons for that also should be given in the Statement. One of the first observations the hon. gentleman made in his Statement was with regard to expenditure—

The total revenue for the year was	...	...	£4,588,207
The total expenditure	...	...	4,540,418

Giving a surplus of	...	...	£47,789
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A cheque for this amount has been handed to the trustees of the public debt reduction fund, the proceeds of which—together with other funds in the hands of the trustees—have been applied by them in the purchase of a debenture amounting to £50,000, which has been dealt with in terms of the Audit Act Amendment Act of 1895. Under the operation of this Act—one of the wisest pieces of financial legislation ever initiated in this House—the application of the surpluses during the last six years has resulted in a reduction of the national debt by £445,720, and a saving of interest annually amounting to £15,727.

Now, I am one of those members who question the wisdom of this piece of legislation. I am one of those who think a very serious blunder was made in devoting the surplus towards the liquidation of our national debt, and I think those who have built up the colony to the position in which we now find it, ought to have the benefit of the expenditure of the surplus in the colony. If this legislature had proposed that we should borrow no more money, that we should not increase our national interest bill, but that we should stop all borrowing and confine ourselves to our ordinary revenue and expenditure, then I could quite understand our setting apart a small sinking fund to reduce the interest bill. But during the last six years we have added between £3,000,000 and £4,000,000 to our national debt and reduced it by surpluses by the very small sum of £445,720. I think that, so far from surplus revenue being employed in paying debts which posterity can very well pay for us—and can pay better than we can—we should apply it to the wants of the colony for the benefit of those who have made the surplus. If, instead of applying that £47,000 of the last year towards the reduction of the national debt, it had been distributed evenly amongst the divisional boards of the colony

for road repairs, what benefit would it not have conferred upon the whole community. The hon. gentleman tells us that he got £125,000 as probate duty from the Tyson estate. Has not this House for the last twenty-eight years voted hundreds of thousands and millions of money to make railways through that deceased gentleman's property? Has not all the money voted for our post offices and telegraphs been the means of adding wealth to him? And when he departed and left his wealth we get £125,000. According to the hon. gentleman, we give £47,000 of that amount to help pay off our national debt; a mere drop in the ocean. I say that £125,000 should have been spent in the colony so that those who created the wealth might receive some substantial benefit from the money received from the estate in the shape of duty. I do not think after federation there will be much surplus to hand over to pay off the national debt. I think it will be the other way. I am not sure that the Treasurer is on the right track in regard to matters in connection with federation. I think he has treated the matter very lightly. I was in Sydney a fortnight ago, and I found there not only the Government but members of Parliament themselves making all necessary arrangements to provide for the new state of affairs which will come into operation on the 1st January. We are doing nothing in this colony. The hon. gentleman has placed on his Estimates £25,000 as a contribution towards the Commonwealth revenue. I don't know where the hon. gentleman gets his authority from to dole out £25,000 on account. I have in my hand the Commonwealth Bill as it passed the House of Commons in England, and it is very clear what is going to happen. The hon. gentleman says he is going to collect the Customs revenue up to the 30th June, but he has no authority whatever to collect the Customs revenue up to that date.

The TREASURER: Four of the colonies are going to do so.

Mr. GROOM: I don't care if five out of the six are going to do so. I know what the mother colony, New South Wales, is going to do, and it is the opposite of what the hon. gentleman is going to do. In the 86th clause of the Commonwealth Act it says that—

On the establishment of the Commonwealth, the collection and control of duties of Customs and of excise, and the control of the payment of bounties, shall pass to the Executive Government of the Commonwealth.

What can be more clear than that? It is clear what is going to happen. The Governor-General will arrive in Sydney about the middle of November. In the interval between that and the 1st of January, 1901, he will no doubt select his Premier, and his Ministry will be formed and ready to be sworn in with the Governor-General; and, without doubt, the Finance Minister will next morning send telegrams to all the Customs officers throughout Australia informing them that all Customs duties must be paid next day to the credit of the Federal Government. No doubt that has already been arranged. I was in Sydney when Sir William Lyne applied to the New South Wales Assembly for a Temporary Supply Bill of £973,000, when he was challenged by the leader of the Opposition as to why he did not make his Financial Statement. He said, "He could not make his Financial Statement until the end of September. He was getting the officers of his department to prepare a return of the names of 5,000 officers, with the amount of their salaries, who would be transferred to the Federal Government on the 1st January next. When he received that return he would recast his estimates to meet the transfer of the salaries of the officers to the Federal Government." But what did the leader of the Opposition say to this statement? Mr. Reid said that "it was a deplorable spectacle

to see the Premier of a great colony obliged to make such a statement as Sir William Lyne had just made. It had only just dawned upon him (the Premier) the radical changes federation would make in the finances of New South Wales." Now, if federation is going to make a radical change in the finances of New South Wales, is it not going to make radical changes in the finances of Queensland? Surely the hon. gentleman cannot get away from that position? I do not think—I really do not think the hon. gentleman has given the attention to this matter that it deserves, or thought of what federation is going to accomplish in Queensland. I am not going to be a pessimist or a sort of Jeremiah in regard to this matter. The colony has accepted federation. I have the Bill which has passed the House of Commons in my hands; and I say it is the duty of every loyal Australian to make the best of the Commonwealth now we have it in our possession, and not to do anything that may detract from its value. I can only tell the hon. gentleman with regard to this arrangement that he proposes to collect the Customs revenue until the 30th June, that if I were appealing to the federal electors to elect me to the Federal Parliament, I should say I thoroughly disapprove of it. It is not in accordance with the Commonwealth Act. It is better for this House to face this matter and see whether or not we are making the necessary provisions in connection with it. It was anticipated by those who drafted this Constitution, and I may say that this clause was drafted by Sir Samuel Griffith in 1890 or 1891, that means would be taken in this House. The 4th clause in the Commonwealth Act implies that the Commonwealth shall be established and the Constitution of the Commonwealth shall take effect on and after the day appointed; but the Parliaments of the several colonies may, at any time after the passing of this Act, make any such laws to come into operation on the day so appointed. Now, it was clearly in the minds of those who drafted this Constitution that prior to the Commonwealth coming into operation the various State Parliaments should provide the necessary legislation from the altered circumstances of each State on the day that the Commonwealth came into operation. Now what are we doing? Surely the hon. gentleman cannot say there is anything before us at the present time. Not a single step has been taken. Down in the New South Wales Parliament there has been a mutual arrangement between both sides of the House that all legislation and the Estimates shall be completed by the middle of November, in order that the federal candidates may have an opportunity of going before the various constituencies and preparing for the election which is to take place in the month of March. Now, we are doing nothing here—nothing whatever. Beyond the bare schedule which has been supplied to the Press showing the proposed electorates for the House of Representatives, not a single step has been taken with regard to preparing the colony for the federation which is to come. There are, I say, a vast number of important matters we have to consider. The colony of Victoria, which probably will gain more from federation than any other colony, has already passed several Acts of Parliament, to come into operation on 1st January next year.

The TREASURER: Victoria is doing exactly as we are doing in financial matters; so is Tasmania, and so is South Australia.

Mr. GROOM: If Victoria has agreed to the same arrangement as the hon. gentleman, all I can say is that they have not acted in accordance with the spirit of the Federal Constitution Act, and the finance Minister, whoever he may be, will be warranted in not recognising it as

correct, whatever the hon. gentleman may do or whatever the hon. gentlemen in the other colonies may do, because he cannot go outside the provisions of that Act. That Act prescribes his duties just the same as the Constitution Act of this colony prescribes the duties of the hon. gentleman; and those duties have to be carried out in accordance therewith.

An HONOURABLE MEMBER: Hear, hear!

Mr. GROOM: Now I am one of those who believed and I fully expected—for although I did not hear the hon. gentleman's statement, I have a copy of it beside me, and I have very carefully read it and made myself familiar with it—that the hon. gentleman would have dealt with this matter, but the hon. gentleman has not made the slightest provision for what is going to happen with regard to the Customs revenue, and for the falling off in revenue that I am afraid is only too apparent from the returns which are coming in now. But, apart from that altogether, there will be a certain proportion of Customs revenue which will be taken possession of by the Federal Government, and no provision has been made on the Estimates to replace that.

The TREASURER: Yes; there is. There is provision for £25,000 for our expenses for the first six months.

Mr. GROOM: Now the hon. gentleman says he has provided £25,000 for the expenses of the first six months. Surely the hon. gentleman in his heart of hearts is not so innocent as to suppose that that will be all that Queensland will have to give during the first six months of the Commonwealth.

The TREASURER: I think it is more than we shall have to give.

Mr. GROOM: Does the hon. gentleman believe that the expenditure is only going to be £200,000 in the first six months of the Commonwealth? Is it not much more likely to be half a million, if not more?

The TREASURER: No.

Mr. McDONALD: The Treasurer estimates it will be £200,000.

Mr. GROOM: That is the amount that the Treasurer estimates, but how can he estimate what the Federal Government will require? It is impossible to forecast what the Executive of the Commonwealth will require.

Mr. LEAHY: We do not know yet when it may be proclaimed.

Mr. GROOM: Exactly. It is a leap in the dark, and all your contribution of £25,000 is pure guess-work.

The TREASURER: Four Treasurers take the same view.

Mr. GROOM: It is impossible for you to say; and when the Commonwealth does commence, directly the Commonwealth is proclaimed, that moment the Customs and excise pass to the Federal Executive, and they alone have control over it. They, of course, will be able to make their expenditure in their own way, and without control by either of the States. I do not think there can be any doubt about that; and there cannot be a single doubt that if this matter is not taken in hand this session that whoever may be in the State Parliament next year will have a financial difficulty to solve; and, as the hon. member for Leichhardt very properly put it, we shall have to face additional taxation. What that taxation may be will be of course for the State legislature themselves to determine. That additional taxation will have to come, and we shall have to face it; and I do not think it will be at all out of place for the Treasurer to prepare the people gradually for the change by perhaps additional taxation this year in order to meet the probable deficit, which he

may be sure will have to be faced at the end of the current financial year. Whether it is to be in the form of a land tax or an income tax, or in any other way that the hon. gentleman may introduce or suggest, of course, is a matter upon which at present we cannot offer an opinion. If it should take the form of an income tax, I can tell the hon. member for Leichhardt that if such a tax is imposed, it is only then that you will discover the real poverty of the colony.

The TREASURER: An income tax?

Mr. GROOM: An income tax I think will be disastrous enough, but it may have to come. But a land tax at the present time on the top of the divisional board tax, the rabbit tax, the marsupial tax, that the farmers and others have to bear at the present time, I think would rather retard settlement than promote it.

MEMBERS of the Opposition: No, no!

Mr. STEWART: It would promote it, undoubtedly.

Mr. HARDACRE: It would fall on the cities, not on the country.

Mr. GROOM: You see from their interjections the differences of opinion there are. Hon. members interject to me that a tax on land values will promote settlement.

Mr. STEWART: It has done so everywhere.

Mr. GROOM: I should very much like to know where.

An HONOURABLE MEMBER: New Zealand.

Mr. HARDACRE: It is not on the land itself; it is on the values.

Mr. GROOM: Those hon. members who have interjected with regard to New Zealand and other places forget altogether that Queensland just now is almost in an infantile position in land settlement. Those selectors who go on the land have unheard of difficulties before them. The grazing farmers have before them the effects of the drought in the Western districts, as the farmers on the Darling Downs last year had the loss of their wheat. And all those men who within the last eighteen months or two years have taken up land under the Agricultural Lands Purchase Act, and have taken up Crown land in inaccessible scrubs—

Mr. STEWART: The tax would not fall on them.

Mr. GROOM: The hon. gentleman said just now that in the Clermont district selectors had been obliged to take up rocks and ridges. Will the hon. gentleman come on the top of them with a land tax?

Mr. HARDACRE: They have no value; therefore they would have no tax.

Mr. GROOM: The hon. member may have some theory of his own with regard to that, but I speak as one who has had some experience of local government, and in the valuation of town and country lands and farm lands, and I tell the hon. gentleman that if he were to go into my constituency and advocate such a tax as he has advocated here this afternoon it would certainly not meet with public approbation. I am sure that my hon. friends, the hon. members for Cambooya and Aubigny, will bear me out in that.

The TREASURER: Nobody likes to be taxed.

Mr. McDONALD: The same thing would apply to any tax.

Mr. HARDACRE: You misunderstand me.

Mr. GROOM: No, I quite understand the hon. gentleman, and I say that once you commence taxing what you call land values, it is only a question of time when all landed property in the colony will have to be taxed, no matter if it is only the stony ridges to which the hon. member referred this afternoon. I do not know whether the hon. gentleman is a member of a local authority or not, but I tell him that if he looks at the returns supplied by the Auditor-General he will find the local authorities of this colony are at the present time taxing their ratepayers to

the extent of £100,000 every year, and that money at the present time is being cheerfully paid.

Mr. STEWART: That is not a tax. That is for the improvement of their own property.

Mr. LESINA: That is payment for services rendered.

Mr. GROOM: The difference between the two methods, if the hon. member for Clermont will allow me to explain it, is this: The money collected by the local authorities at the present time from the ratepayers is locally expended, while the tax to which the hon. member for Leichhardt referred would be paid into the general revenue. Speaking as I do from my own knowledge of the heavy taxes at present upon landed proprietors, in the form of divisional board, marsupial, and rabbit taxes, and special taxes levied for special works in different localities—which amount in some instances to a very heavy sum indeed—the landed proprietors in most of the settled districts of the colony are now sufficiently burdened with land taxes not to be able to stand the imposition of any more at the present time.

HONOURABLE MEMBERS: Hear, hear!

Mr. HARDACRE: Then where are you going to get the amount required to meet the deficit?

Mr. GROOM: That is a question which the hon. gentleman, with his financial skill and knowledge, will no doubt be able to determine at the proper time, and the hon. gentleman will probably remember the celebrated remark of Sir Robert Peel when asked, while in opposition, why he had not formulated a policy—that it was time for the doctor to prescribe when he was called in. The hon. gentleman asks me now what I would substitute for his proposal, but the time to suggest the remedy is when we have to face the difficulty. I said I anticipated that the Treasurer, when he brought down his Financial Statement, would have submitted certain modes of additional taxation in order to meet what I believe will be a very considerable deficit at the end of the current financial year.

The TREASURER: What tax would you advocate—not a land tax and not an income tax?

Mr. GIVENS: Tax the working man.

Mr. GROOM: The hon. gentleman asks what tax I would advocate. The hon. gentleman was very fertile in suggestion himself when he came down to this House estimating a deficiency of £30,000, and by immediately doubling the tax on beer he got what he wanted and more than he wanted, and what he estimated would give him about £40,000 is now bringing in between £70,000 and £80,000.

Mr. JACKSON: He has got his remedy now.

Mr. GROOM: He has got his remedy now, and that is why I said I anticipated he would take advantage of it. He had his opportunity this year of suggesting any additional taxation under the Customs which he thought might be imposed to meet the possible deficit, but, of course, immediately the Commonwealth Act comes into operation he will have that opportunity no longer. He had the power of providing this additional taxation, and could have collected the additional revenue up to the time the Federal Parliament fixes the tariff.

Mr. STEWART: A good job he didn't.

Mr. GROOM: That question has been raised by the hon. member for Leichhardt—and there is no doubt the hon. gentleman is correct in what he says—that when the federal tariff is adopted it will be found much lower than the people of Queensland are paying under at present, and it will be spread over a wider area. It is doubtful what the amount of it will be. The minimum revenue formulated by the finance committee of the late Convention that sat in Sydney was £5,000,000;

the maximum variously estimated by the public men who discussed the question at the Convention ranged from £6,000,000 to £7,000,000, and £8,000,000. If we take a medium we will find that the amount the Federal Government will probably ask for and to meet which the federal tariff will be framed, will be somewhere about £7,000,000. The probabilities are that the whole of it will come from the Customs and Excise, although one of the extreme free-traders of Victoria, Mr. Max Hirsch, said that if he had his way the only article that would be taxed through the Customs under the Commonwealth would be alcohol, and the revenue required should be derived from the land. The failure of a scheme formulated on such extreme views was clearly demonstrated, and there is no doubt that the Customs revenue will return a very large sum, and that it will be much higher in the other colonies than it is at the present time. No doubt many hon. members have already formed the opinion that the federal elections, if not in Queensland, at all events in Victoria and New South Wales, will be fought out on the broad lines of freetrade and protection. There cannot be the slightest doubt of that from what is going on in those colonies now, and seeing that the freetrade league and the protection league are working matters, and zealously distributing their literature broadcast with a view of securing members, and whichever has the majority will secure the framing of the tariff on their lines, I say it is impossible for any member of this House at the present time to venture any opinion as to what the federal tariff will be—whether it will be on freetrade or protection lines.

The TREASURER: Yet you expect me to bring in taxation to meet what you say no man can foretell.

Mr. GROOM: The hon. gentleman has misunderstood me on that point. What I told him I expected he would anticipate was the deficit to be expected at the end of this financial year.

The TREASURER: I show an expected surplus.

Mr. GROOM: I know the hon. gentleman does, but I think it was the hon. member for Bulimba who once in this Chamber, in reply to the late Sir T. McIlwraith, said you could prove anything by figures. The hon. gen-

[8 p.m.] tleman shows a surplus, but looking at the operations of the last two months, I think there is very little hope of that surplus being realised. It is utterly impossible to forecast in what direction the tariff of the Commonwealth will be formulated, but there can be no doubt that the chief source of revenue will be the Customs. The hon. member for Leichhardt says that he was informed—and I have no doubt he got his information from reliable sources—that the merchants of Brisbane are keeping low stocks, because they did not know what the uniform tariff would be.

Mr. FORSYTH: Two years hence.

Hon. E. B. FORREST: Two years is too far off for that sort of thing.

Mr. GROOM: Now, I have ascertained that the merchants in Sydney are doing the very reverse. Having freetrade in New South Wales they are laying in good stocks, with the full belief that a protective tariff will be provided; and so they will "scoop the pool." And in Victoria it is the same. What did we read in the *Brisbane Courier* last Friday morning: That a deputation waited on Sir William Lyne calling his attention to the fact that manufacturers and merchants were working night and day getting large stocks ready, so that, directly a uniform tariff was started, New South Wales market would be inundated with Victorian goods, and the factories there would be crippled. The hon. member for North Brisbane may rest satisfied

that one of the first things that the Federal Parliament will undertake will be the question of the tariff.

Hon. E. B. FORREST: I think so too; but they will never do it in two years. It will take them all their time, at any rate.

Mr. HARDAGE: It will take all two years.

Mr. GROOM: Some hon. members say it will take all two years, but conferences have been held down south, and a tariff has been formulated in three weeks.

Hon. E. B. FORREST: In three hours—some of them.

Mr. GROOM: Yes, the protectionists have met and formulated a tariff, which they are ready to hand over to the Federal Finance Minister.

Hon. E. B. FORREST: Do you think they will settle it?

Mr. GROOM: I am one of those who have given a good deal of thought to the matter, and I think that one of the first duties of the Federal Parliament will be to formulate a tariff. Revenue must be obtained.

An HONOURABLE MEMBER: It will take them two years to do it.

Mr. GROOM: Looking at the duties the Federal Government will have to perform in connection with the initiation of federation during that time—the expenditure they will necessarily have to incur—all that expenditure will not be covered by one-fourth of the revenue derived from the several States. Therefore they will be compelled as early as possible to frame a tariff.

Mr. LEAHY: They can levy taxation in any form they like.

Mr. GROOM: I know that. The hon. member for North Brisbane, who has, no doubt, great experience, goes distinctly on the lines of all commercial men—that the dislocation of commerce which will be caused by the tariff will cause the Commonwealth Government to take the earliest possible opportunity of getting the new tariff into operation.

Hon. E. B. FORREST: There is no doubt about that.

Mr. GROOM: I have no hesitation in saying that if I were one of this colony's representatives to the Federal Parliament, my suggestion would be this: That there be a committee of two members of each State in the House of Representatives appointed to consider the various tariffs in the several States, and also to consider any suggestions made by public bodies; and they should then endeavour to formulate a tariff which would be adapted to the circumstances of the various colonies.

The CHIEF SECRETARY: That could not be done in the first session.

Mr. GROOM: Yes. The men who form the executive of the several political bodies down south are very active in making the necessary arrangements for what is going to happen. They are not so lukewarm as we are here. They are exceedingly active. Nothing but federation and the new tariff is talked about by them from Monday morning till Saturday night. And you cannot blame them. I think they are taking an exceedingly wise precaution, because we should all try to prepare for the future. I will offer my congratulations to the Treasurer on one matter, and I have had the same privilege once or twice before. There was a time in the history of this Parliament when the insertion of a paragraph dealing with agriculture was regarded as almost a crime. I remember an hon. member charging me on the floor of this House with alluring men to grow maize on the Darling Downs to their certain ruin. But I have lived to see the Darling Downs one of the most prosperous communities we have.

HONOURABLE MEMBERS: Hear, hear!

Mr. GROOM: And agriculture is now regarded as one of the stable industries in the country. I am glad I have lived long enough to see the Hon. the Treasurer devote four pages of the Statement to the enumeration of the progress and advancement of agriculture, which of late years has so prominently sprung into existence, and which is now regarded as a most important factor in the industry of the country. This House has contributed to the success of agriculture, in ungrudgingly voting money for the advancement of this industry, and I hope the colony will receive full value for what has been spent in this direction. While I do not think the Agricultural College and experimental farms have quite come up to expectations, we must remember that they are only tentative establishments, and I hope that by and by, as scientific teaching and theory advances with practical work, better results will be obtained. I congratulate the Treasurer in the clear way in which he has dealt with agriculture, and I hope that this portion, at least, of his Statement will be sent to other quarters where it will receive due consideration. I would like now to refer to the question of immigration. I have always regarded a steady continuous flow of immigration as the very life-blood of the colony, and therefore I do not agree with my friends on this side who are rather disinclined to disagree with me on that point. I still maintain my opinion, that in a large colony like this—with all the advantages it possesses, and with all its innumerable resources—that a continuous flow of immigration will do an immense amount of good, and can do no harm.

The CHIEF SECRETARY: Hear, hear!

Mr. GROOM: At the same time it would be satisfactory to the colony to know whether any accurate returns are kept by the Immigration Department of those who are coming out at the colony's expense, so as to ascertain whether they are remaining in the colony or not, because I am given to understand, from very reliable sources, that more than half of the female immigrants who came out in the last ship are now in Sydney.

Mr. STEWART: Quite true.

Mr. GIVENS: A good job if some more of them went, too.

The TREASURER: There is no truth in the statement at all.

Mr. LESINA: Have you got them all ear marked?

The TREASURER: The immigration agent can tell you where all the people are.

Mr. GROOM: I made the statement on the floor of the House for the express purpose of giving the hon. gentlemen and the members of the Government generally an opportunity of saying whether the statement was correct or not, and I am glad to hear from the Treasurer that it is not true. I may say that Mr. George Randall has sent out several young men—good strong active farmers. They brought letters of introduction to me at Toowoomba, and I got every one of them employment within twelve hours of their coming to me.

MEMBERS of the Government side: Hear, hear!

Mr. GROOM: One gentleman at Jondaryan, who is largely engaged in agriculture, assured me that one of those young men whom I had recommended him to take on Mr. Randall's recommendation proved to be one of the best farmers he had ever had in his employment. Now, there is room for scores of such men on the Darling Downs, and they would be welcomed there.

A MEMBER of the Opposition: Cheap labour.

Mr. GROOM: There is no such thing as cheap labour for farmers. Those men are all getting the standard wages.

Mr. GIVENS : What are standard wages for farm labourers?

Mr. GROOM : On the Darling Downs the standard wages are from 15s. to £1 a week and board.

Mr. STEWART : 7s. 6d. a week.

Mr. GROOM : I never heard of such a wage being paid.

Mr. MACKINTOSH : Nor I.

Mr. GROOM : I should be very sorry to advocate the introduction of cheap labour of that kind ; but the general run of farm labourers on the Darling Downs get from 15s. to £1 a week and board, and permanent employment at that.

Mr. GIVENS : How many hours a day.

Mr. GROOM : I do not know anything about their hours of labour. However, I do not alter my opinion with regard to immigration. I have held those views for many years past, and I see no reason to change them, and any reasonable subsidy that the Government propose to give to assist immigration I shall offer no opposition to.

Mr. MAXWELL : What about the young ladies who are coming out as farmers' wives?

Mr. GROOM : I have read the statement to which the hon. member refers in the *Daily Mail*. The writer says that he had an interview with an officer in the Queensland Immigration Office in London, and that gentleman told him that the young farmers of Queensland were very fond of nice English girls as wives. He further stated that it was no unusual occurrence for a nice English girl to land at Cairns, and there obtain a situation with a very rich squatter, and in a very short time she would glide from the kitchen into the front rooms.

Mr. GIVENS : There are no squatters at Cairns.

Mr. GROOM : That was the statement made by this officer in the Immigration Office in London and reported in the *Daily Mail*, under the heading of "A Huge Matrimonial Scheme." Everyone knows perfectly well—

Mr. GIVENS : Everyone knows Horace Tozer.

Mr. GROOM : It did not say it was Sir Horace Tozer who made the statement. The article said it was an officer in the department. Of course there is this much to be said about it—that there is great rivalry between the two halfpenny papers, the *Daily Mail* and the *Express*, and any sensational statement that will increase the sale of the paper is seized upon with avidity, and is blazoned forth with sensational headings. Probably that may be the case with regard to this particular matter. I think we might take a lenient view of it, and say that it was probably stated by a zealous officer, who was desirous of filling the ship. In conclusion let me say that I deemed it my duty to make these observations, and I only hope that the Treasurer's wishes may in every respect be realised. I am one of those who have helped to build up Queensland to what it is to-day. I say, without the least hesitation, that there is no colony in the Australian group that has made such rapid and substantial progress as Queensland in all departments of industry—whether it be in the mining industry, the pastoral industry, farming, sugar-growing, or anything else. There has been a solid advancement and prosperity ever since the year 1893, when we experienced the financial crisis, and when everyone put on his considering-cap and has ever since exercised thrift and industry. The result is shown to-day in the flourishing state of our revenue and the splendid state of most of our industries. I regret very much the statement made recently by the Secretary for Railways with regard to our railways, when he spoke of the loss incurred upon them running into two millions of money. Why, what has the colony gained during that time? What has been the value placed on

our territorial possessions by the extension of our railways? I say that the money which we have lost is a mere bagatelle compared with what we have gained. Where would have been the National Exhibition on the 11th August last, at which 25,000 persons attended, but for the existence of our railways to bring them in from north, south, east, and west? I say that the railways have been the greatest boon that could be conferred upon the colony. I speak from experience, knowing the time when we had no such things as railways, and when it cost me £25 to come from Toowoomba by Cobb's coach to Brisbane to attend Parliament, and £5 to go back again. And mark you there was no payment of members in those days. When I look round and see what the colony is to-day, I say its progress has been marvellous, the result of industry and thrift on the part of its people, and of the construction of railways.

Mr. BROWNE : And now they are pouring in private syndicates to help us.

Mr. GROOM : There were no private syndicates in those days.

An HONOURABLE MEMBER : And no Labour party.

Mr. GROOM : I was here when there was no Labour party. I can, perhaps, claim to have been the first Labour member. I came into this House a labouring man, accustomed to work hard from Monday morning until Saturday night, and I have done so ever since. I say when the Secretary for Railways talked about the loss on our railways he made a very serious mistake—perhaps an unintentional blunder—made without considering well the effect of his words. There is more importance than the hon. gentleman may think attached to the utterances of Ministers of the Crown, and on that account a Minister should weigh very carefully his words before giving utterance to them. No one can estimate the injury the hon. gentleman may have done to the colony in certain quarters by the injudicious remarks he made in reference to our railways, and to the credit of the hon. member for Maryborough be it said, he immediately replied to them. I was present in this House when railways were first initiated. In those days we never thought of railways paying. What was put before the House and country was that Queensland was deficient in navigable rivers, and that something must be provided to take their place. On the Main Range at that time a toll was established through which everyone passing had to pay, and in order to ascertain the probable paying traffic for a railway, men were stationed there day and night to take count of the passengers, drays, and goods that went along that road. It was then found that the traffic was not nearly sufficient to make a railway pay, but that was not taken into consideration. The idea in those days was to open up the country by means of railways, so that its resources might be developed, and it was not until years after, on the advent of Commissioners for Railways, that the doctrine was laid down that our railways must be run on commercial lines and made to pay. We know now only too well the disastrous results which followed upon that system being closely followed, some of which I am glad to say have since disappeared, but some of those disastrous effects are felt to this day. I make these remarks because I have seen the rise and progress of the colony, which I maintain will compare favourably with the progress of any other colony of the group. There is nothing, as far as I can see, to prevent this colony from being as great and prosperous as any portion of the continent of Australia. Therefore, I hope the Treasurer's anticipations of a surplus next year may be fully realised, but I am very much afraid that when the colony

begins to feel the effect of federation the hon. gentleman will have some reason to reduce his estimate.

Mr. McDONALD (*Flinders*): I do not intend to say a great deal upon this matter, and it is not my intention to go into the Financial Statement. I am not like some hon. members. I cannot congratulate the Treasurer on his Statement, and I think the two and a-half hours which he took to deliver it was a huge waste of time. The hon. gentleman's Statement could have been delivered much better and more effectively in half-an-hour, and if it had not been for hon. members on the Opposition side who let him skip over a number of figures, he might have fainted during the delivery of his speech. It is really not a Financial Statement, but a mass of figures relating to various departments and their work. I am almost afraid to criticise it in any way, for the hon. gentleman has threatened that if we attempt to do so he will dissolve Parliament, and I would not like to be the cause of that.

Mr. LEAHY: When did he say that?

Mr. McDONALD: The hon. gentleman is reported in the *Courier* of to-day to have said so. He has threatened that if we attempt to criticise Government measures in any way he will go to the country. Well, let him go to the country. As far as this side is concerned, he can go tomorrow if he likes. If he thinks he is going to bamboozle and threaten members by threats of dissolution if they attempt to criticise his measures, he is mistaken.

The TREASURER: I did not say criticise.

Mr. McDONALD: What did the hon. gentleman say? He could not have [8.30 p.m.] said anything else, because he admitted that there had been no waste of time by members on this side.

The PREMIER: When?

Mr. McDONALD: In his speech yesterday.

Mr. LEAHY: He did not.

Mr. McDONALD: The hon. gentleman stated that there was no attempt on this side to waste time—to stonewall.

Hon. D. H. DALRYMPLE: They could not help it.

Mr. McDONALD: I take the word of the hon. gentleman's leader. If the hon. gentleman likes to repudiate his leader let him. I think threats like that are childish, especially coming from the Premier of the colony.

The PREMIER: I made no threat at all.

Mr. McDONALD: Even the *Courier* has to take the hon. gentleman to task in a sub-leader this morning for the statement.

The PREMIER: It often does that.

Mr. McDONALD: We did not get the statement on the floor of this House, but he went out of his way to make it on a foreign vessel. I think it would have been far better if the hon. gentleman had made the statement here. As I said before, I think it was a very childish statement.

Mr. LEAHY: I think it was very sensible.

Mr. McDONALD: Of course the hon. gentleman has as much interest in syndicate railways as anybody else, and that is why he thinks it was sensible.

Mr. LEAHY: I am not interested in a single one.

Mr. McDONALD: The hon. gentleman states that he is going to have a narrow surplus this year—£22,000 odd—and states that this amount will only be realised by rigid economy. In his Statement he deals with railway proposals. It has been stated here by members on both sides in former years that surpluses have been obtained by starving the various departments; and it has been stated that the Railway Department especially has been starved to such an extent as to make it almost impossible to carry on the

traffic, owing to the want of rolling-stock. This has been going on from year to year, though we have had several Ministers for Railways. We have had the Premier, we have had the ex-Premier, and now we have the present Minister for Railways. In to-day's paper we have a statement made by the Chief Engineer. Of course, I cannot vouch for its truthfulness; but there is no doubt that he knows exactly what he is talking about, and we must give him credit for the faithful and true reports he has furnished us from time to time. He states that—

With regard to the alleged dangerous condition of a section of the Northern Railway which has been questioned in Parliament, the provision for relaying lines had been removed from the Estimates, and this had caused the postponement of ordinary renewals.

I would like to know if there is any truth in this statement. We can understand how the hon. gentleman is making an attempt to get his surplus. The small surplus he alleges we are likely to have at the end of the year could be easily obtained by wiping out these very necessary works. Mr. Stanley states it is absolutely necessary that this portion of the work should be gone on with, and if the department did not think so I would like to know why the sum was put on the Estimates, and also why it was eliminated from the Estimates. I suppose that is the way we are going to have this surplus manufactured year after year. I think sooner or later there is going to be a good deal of trouble in connection with many departments, especially the Railway Department, if the Government do not keep the necessary equipment. Even the hon. gentleman admitted it one year himself—I think it was in the first Statement he made—I think it was in 1897—when he admitted the starving that had been going on in the Railway Department for a number of years. If this sort of thing is going to go on, some future Treasurer is going to be landed in a very awkward position, yet the hon. gentleman does not in any way tell us how these difficulties are going to be got over. I agree with the hon. member for Leichhardt that sooner or later the hon. gentleman will have to come down with additional taxation, and more especially now that we are entering into federation, and I think nobody knows it better than the hon. gentleman. What is the use of staving it off? If it is going to come, let us have it. If we are going to starve the various departments from time to time the difficulties will be growing greater and greater, and there will be very great difficulty in putting the finances of the colony into a strong position. According to the hon. gentleman's own showing, they are not now in a very strong position, and the hon. gentleman should let us know frankly what the exact position is. For the first two months of this year we find that there has been a falling off of over £26,000 in revenue, while the expenditure has gone up over £100,000. I think the hon. gentleman must have known the exact position, and he should have given the House some information. I would like to hear some explanation from the hon. gentleman, when he is replying, as to why the Railway Estimates have been cut down in the manner we have been informed by Mr. Stanley they have been cut down. Again, the hon. gentleman speaks of the general prosperity of the colony, of the prosperous condition we are in at the present time, yet the hon. gentleman does not in any way show how we are going to maintain the position that we are in at the present time. There have been a large number of works going on in and around Brisbane principally—because there has been but little work going on throughout the colony—and the result will be that the work that has been

going on in a short period will have finished, and the consequence will be that a large number of these men will be thrown out of employment. The hon. member for Bulloo has told us that we may expect within the next year that there will be 5,000 men out of employment in the Western portions of the colony. I think there will be an enormous number of men out of employment, and I go further and I find that the railway authorities themselves admit that we have not really felt the losses that are likely to accrue on our railways, because within the next two years the losses will be far greater than they have been this year, and yet the hon. gentleman treats this matter very lightly, and he is prepared to gloss it over, and think that the revenue, as far as the railways are concerned, will be maintained at what it is this year. Now, I would be very sorry myself to see any falling off in the railway revenue at all. I think every member of this House would be sorry to see any falling off in the railways, but I know this, that a large number of people having to do with the railways are of opinion that for the next two years the revenue will be very much less than it has been for the past year, and the hon. gentleman has made no provision for that at all. Still, in spite of the falling-off that is going to take place in our railways during the next two years, we will still have to go to considerable expenditure in connection with these lines even to keep them in tolerable repair, apart from the fact that we want at the present time a large amount of rolling-stock. That, I think, the hon. gentleman will admit. Now, again, we were told by the hon. member for Toowoomba—when he was speaking in reply to the hon. member for Leichhardt in connection with the land tax and income tax—that he did not care about them. He said if you put on an income tax then you will show the world what an impoverished colony we are in. He said we would show how poor the colony was if we put on an income tax. Then the hon. gentleman finishes up by stating that Queensland is one of the richest and most prosperous countries in the whole of Australasia.

MEMBERS of the Opposition: Hear, hear!

Mr. McDONALD: Now if this colony is one of the most prosperous countries in the Australian group, then I do not see how our income tax is going to show its impoverishment, or injure it in any way. Personally I think that additional taxation will have to come sooner or later, and as we will not be able to get it through the Customs, then, I think, the proper way is to get it through a land tax. I think a land tax is far preferable to getting it through the Customs.

The TREASURER: We are subsidising the land-owners of the colony now.

Mr. McDONALD: In what way?

The TREASURER: Through the local authorities.

Mr. McDONALD: I have heard the argument from time to time that for local purposes there is a certain tax put upon land values, but we know that has nothing to do with the revenue at all. That is outside the general revenue. We have nothing to do with the divisional board taxation or the municipal taxation at all. For general government purposes, I think the proper method of raising the revenue is by direct taxation on land values, and further than that, I say that every inch of land should be taxed.

Mr. HARDACRE: On its value.

Mr. McDONALD: Of course on the unimproved value of land. I think every inch of land should be taxed. There must, of course, be a distinction. If there is a piece of land which only one man wants it has no real value, simply because there is no competition for it; and it is quite possible in that way that there may be

land without value. Land or any commodity at all can only have value when there is a demand for it.

Mr. FORSYTH: You do not believe in competition.

Mr. McDONALD: No, because I believe competition to be bad. I think it is one of the worst things you can possibly go in for, and the hon. gentleman is as much opposed to competition as I am. The hon. gentleman knows in connection with commercial purposes the first thing that he has to try to get is a monopoly and to get rid of competition.

Mr. LEAHY: You are both monopolists.

Mr. McDONALD: Just so, only he goes for it in a different manner to what I do. I am opposed to competitive concerns because they are not good, and one of the reasons why we do not think that the competitive system is good is because it leads men to do many things from an industrial point of view they would not do in other things.

Mr. FORSYTH: You are the biggest monopolist in the House.

Mr. McDONALD: The hon. gentleman says I am the biggest monopolist in the House. Perhaps I will admit that, with many things, but I will not admit it with many other things, which I do not care to mention just at the present time. Now, I said that the income tax, the land tax, and the absentee tax are the most legitimate taxes you can have at the present time. Unfortunately, the Government have a desire, and a number of the members of this House have a desire, to tax everything that is likely to be used by the working classes. I do not say that that is common to this particular Parliament. It is common to most Parliaments. Most Parliaments seem to have the idea that instead of placing taxation on the right shoulders, they should place it upon the great multitude, and have the idea that because there is a large number of people who have to consume certain commodities, generally, that those commodities should be taxed in the very highest degree, forgetting the fact that every class of people do not use those special or particular commodities, and hence it is that the very biggest taxation falls upon that section of the community. You take the taxation of Queensland or any of the Australian colonies at the present time, and the great bulk of that taxation is derived from the working classes, which we say is bad and not good, and we certainly say that while they are prepared to and should bear a fair share of the taxation of the country they have no right to be burdened with the great bulk of it; and to get over that difficulty the hon. member for Leichhardt has suggested three taxes, which, I think, are very legitimate taxes—namely, an absentee tax, a land tax, and an income tax. Now, I do not propose to say any more upon this matter. I would just again point out to the hon. gentleman that he ought to try and get a careful report made by the various railway authorities connected with that particular Northern line; and if it is absolutely necessary that these renewals should take place, that they should be done, and not endanger the lives of those who are compelled to travel on that particular line. And if it is necessary for the hon. gentleman to get money, then he should make an effort to get it; and not give out, as the hon. gentleman has practically done, that the colony is in such an unfortunate position that he cannot borrow a few pounds to carry on necessary works.

The TREASURER: I never made that statement.

Mr. McDONALD: That has been stated in this House several times, if not by the hon. gentleman, then by his colleagues. Did not the Secretary for Railways tell us the other night

that we were not in a position to borrow money to construct railways, and it was therefore necessary that certain railways should be constructed by private syndicates so that we might give work to the unemployed? That statement had been repeated by member after member on the other side of the House. If the colony is in such a position that we cannot borrow money for such a purpose it cannot be in a very prosperous condition, and I do not think the money-lenders on the other side of the world can have a very high opinion of Queensland. The hon. gentleman and those who follow him say they want to give some encouragement to foreign capital, but I say we can get foreign capital without giving special concessions, for Coghlan's figures show that Queensland is the best investing colony in Australia. He shows that Queensland investments realise 6·2 per cent., while investments in the other colonies only realise 4·2 per cent., a clear advantage in favour of Queensland to the extent of 2 per cent. That at all times will be a prominent feature in the attraction of capital for investment. Wherever the best investments are likely to be made there capital will flow. I think the hon. gentleman has no particular fear on that score, and if he was desirous of raising money at a legitimate rate of interest to carry on necessary works in this colony there would be very little difficulty in doing it. Instead of that, he says that the country is not able to borrow money, and we must get syndicates to do certain works for us. The position the Government have taken up with respect to these syndicates is not going to benefit Queensland at all, and it will certainly do no good for the unemployed, because it will be twelve or eighteen months before we see any one of those lines commenced. I have nothing further to say, but I hope that on future occasions when the hon. gentleman is coming forward with a Financial Statement he will let it be a Financial Statement, and not an essay on the various reports of the departments, which he wants to have circulated in the same way as the private and confidential reports that are now being sent to the Agent-General. I hope the hon. gentleman does not intend to send home parcels of *Hansard* containing the Statement, as it would be much better to have it printed in nice pamphlet form for distribution through the Agent-General's office. The hon. gentleman may have some idea that by sending it as a Financial Statement it will have a higher tone, and will reach what are called "high financial circles," but if he wants it to get there, and the common ordinary paper sent to the Agent-General is not good enough, there is no reason why he should not get it printed on special paper. I hope that in his next Financial Statement, instead of hearing the hon. gentleman waste time for two and a-half hours, he will put what he has to say in nice concise form, and get through with it in about half-an-hour.

HON. D. H. DALRYMPLE (*Mackay*): I think that the hon. member who has last spoken is becoming, consciously or unconsciously, the humorist of the House.

MR. DAWSON: That is, when you leave.

HON. D. H. DALRYMPLE: The hon. member charges the Premier with having wasted two hours.

MR. McDONALD: And a-half.

HON. D. H. DALRYMPLE: The hon. member is perhaps the best judge of time wasted.

MR. DAWSON: Haven't you made a mistake? This is not Thursday.

HON. D. H. DALRYMPLE: I see another unconscious humorist. (Laughter.)

MR. LESINA: Get a mirror, and you will see a third. (Laughter.)

HON. D. H. DALRYMPLE: Seeing that the hon. member's colleagues, the leader of the Opposition, and the hon. member for Rockhampton, thought fit to compliment the Treasurer generally upon his Financial Statement—probably the hon. member for Flinders did not remember that, or he might have considered it wise not to censure his own colleagues as he has done. Although I must give the hon. member the credit of saying that he generally paddles his own canoe, fights his own side, and generally desires to be rather different from what anybody else is, either on his own side or the other; but, on this occasion, he has thought fit to say that the Financial Statement is of no account, or of very little account indeed. We have heard of the siege of Ladysmith, and that while the siege was going on there were numbers of people there who all believed that they were better generals than Sir George White. They were called "Ladysmith generals," and most of them afterwards admitted that they knew nothing at all about war. If we have not got military "Ladysmith generals," we have certainly economic "Ladysmith generals" in this House. The hon. member for Flinders tells the Treasurer that he should have condensed his report into one-half.

MR. McDONALD: Into one-fifth.

HON. D. H. DALRYMPLE: If hon. gentlemen opposite are so desirous for condensation, would it not be a good idea if they were to condense their own speeches? Heaven knows that in some cases with very little to express they take from ten to twenty columns in order to express that little.

MR. DAWSON: Following your noble example.

HON. D. H. DALRYMPLE: The hon. member for Flinders told us at the beginning that he was not going to deal with finance. He is not the only member on the opposite side who has made that confession. Although to deal with the Statement and criticise the maker of the Statement, and admit at the same time that you are either unwilling or unable to deal with finance, seems to be rather a lame conclusion. When an hon. member takes it upon himself to criticise a Financial Statement of this kind, the least thing I should imagine we would get from him would be some endeavour to deal with finance. Let him at least prove his fitness for finance before he endeavours in a wholesale way to condemn a Statement which hon. members on his own side even have thought fit to approve.

MR. KIDSTON: Prove himself a Ladysmith financier, so as to give you a chance! (Laughter.)

HON. D. H. DALRYMPLE: The hon. member can label himself with any label he chooses. I have not called him a "Ladysmith financier"—I have not come to him at all so far. The hon. member told us that the Treasurer made a speech recently in which he said—I am quoting now not what the hon. member said, but what I think the Treasurer might have said—that if he was unable to carry on the business of the country he would have to appeal to the country. That appears to me to be a perfectly reasonable proposition.

MR. DAWSON: Why did not he say it in the House?

HON. D. H. DALRYMPLE: The hon. gentleman thinks the Treasurer should have said it here, but everyone who speaks in this House, and speaks to the point, is exposed to a shower of interjections of which the disorderly hon. member opposite is one of the chief exponents.

MEMBERS on the Government side: Hear, hear!

MR. GIVENS: You are one of the worst yourself.

HON. D. H. DALRYMPLE: Now they are all talking, and it is an extraordinary thing, though not altogether unpleasant to think of, that though there may be an absolutely silent and dead House, if I venture to say a few sentences I have at once the two benches opposite interjecting and even the cross-bench clacking. (Laughter.)

MR. DAWSON: Why shouldn't they clack as well as your barn-door fowl?

HON. D. H. DALRYMPLE: It is the socialistic party who are responsible [9 p.m.] for the barn-door fowl. I hold that venerable chicken up to them as one of the greatest illustrations of the utility of that domestic fowl. (Laughter.) I am not ashamed of that particular thing. The socialistic party brought that bird into existence, and now they try to disown it; but in the possession of that bird I am willing to leave them.

MR. McDONALD: Tell us something about Paraguay.

HON. D. H. DALRYMPLE: If hon. members opposite wish to re-resurrect that unfortunate movement—that unfortunate failure of their own which they fathered, and which was given a fair trial, and proved a delusion, as I prophesied—I cannot help that. They have not the manliness to disown it; but I know they are heartily ashamed of it.

MEMBERS of the Opposition: The French revolution! Kanakas! The Mackay Railway.

HON. D. H. DALRYMPLE: I am glad to see the House lively, because I have never seen a bigger corpse than it has been during the greater part of this debate.

MR. DAWSON: We were waiting for you.

HON. D. H. DALRYMPLE: Well, that is something. You did not wait for anyone on your own side.

MR. GIVENS: We wanted a little humour.

HON. D. H. DALRYMPLE: I have heard some observations called childish, and not altogether without reason. I have read in the metropolitan journals that it is absolutely necessary for this House to do business. This House is ostensibly meant to do business, and these journals have pointed out that some members do nothing else but talk, talk, talk—that they do not act. Hon. members are elected to this House with the idea of acting, although, in the minds of those thoroughly well acquainted with the House, little in the way of action can be expected from some hon. members. It has been suggested in the metropolitan Press, that debate should be suppressed to some extent. What brought that suggestion about? Only the exceeding loquacity of some hon. members opposite.

MEMBERS of the Opposition: No, no. What about yourself?

HON. D. H. DALRYMPLE: I may have been guilty at times in this respect myself, and I am honest enough to own up to it; but, with such volleys of interjections as I am usually met with, one cannot dump his remarks into such a small compass as the hon. member for Flinders suggested the Treasurer should do with his Financial Statement.

MR. McDONALD: He makes his most important statement on a German vessel.

MR. DAWSON: It ought to be labelled, "Made in Germany."

HON. D. H. DALRYMPLE: Yes. There are a good many good things made in Germany. However, I am endeavouring to confine my remarks to what the hon. member for Flinders has stated. He said that if there was a surplus it would mean that the departments were being starved. When a surplus takes place—and I presume the Treasurer has a surplus, and it has been stated that a surplus is desirable—

I suppose it will be accounted for in some unpleasant way. And if there is no surplus the Treasurer will not be credited with benefiting the several departments, but with being an extravagant or prodigal person. No Treasurer can be expected to please all persons, because some will find fault under any set of circumstances. The Treasurer in his estimate cannot anticipate wars, plagues, famines, and those sort of things; and he holds out reasonable expectation that the surplus estimated will be obtained. I think the Treasurer has been very successful, as many of his expectations have been borne out by events. He has previously made a great many deductions from revenue which have been justified by events, and having done so, it is perfectly reasonable for us to anticipate that in all probability the surplus he now predicts will be obtained. I hope it will.

MR. KIDSTON: We all hope so.

HON. D. H. DALRYMPLE: Yes, and by legitimate means—without starving departments, and without any extravagance or prodigality. While the hon. member for Flinders complains of extravagance on the one hand, on the other he desires more expenditure on the Northern Railway. In all probability, if more expenditure is required on that line, it will be provided by the Commissioner. That official would have no reason to allow the Northern line to go into serious disrepair.

MR. McDONALD: Mr. Stanley said it was struck off his estimates.

HON. D. H. DALRYMPLE: If that is so, there was probably good reason for doing it.

MR. STEWART: Yes, in order to show a surplus.

MR. McDONALD: He said so himself.

HON. D. H. DALRYMPLE: But this does not appear in the Commissioner's report. These statements may or may not be correct. I would like to have more evidence than the hon. member has given us.

MR. McDONALD: Those are the statements made by Mr. Stanley.

HON. D. H. DALRYMPLE: Those statements may have only been made in general conversation—perhaps on a Japanese steamer—and doubtless the repairs to this railway will be attended to, if they are really necessary. I can understand why the hon. member has introduced this subject into this debate on the Financial Statement—because he wishes to show his constituents that he is looking after their interests. The core of one hon. member's speech was that certain police quarters in his electorate were badly in want of repair, and he hoped the Government would bear that in mind. Another hon. member said a Custom-house should be erected at a certain place in his district as soon as possible. All that is quite natural. I have no doubt that the anxiety of these hon. members to get certain works and buildings in their districts is prompted by the desire to gain favour in the eyes of their constituents. I do not know that the hon. member stands in any particular need of such assistance, as I believe he is fairly popular in his electorate. However, as it appears that hon. members are referring to their own electorates in connection with this debate, I may be permitted to refer to a most unjustifiable allegation which has been made in regard to my electorate. The hon. member for Cairns dilated upon the Mackay Railway. He spoke of a basket of bread, but whether he accompanied the bread or the bread accompanied him I do not know. Apparently, he went to a place called Mirani with a basket of bread, and he said that besides himself and the bread, which certainly was wholesome, there did not appear to be much else in the train. He went

to Mirani, which he said was a junction. Now, I have heard the hon. member for Cairns make statements on previous occasions which certainly were not borne out by facts, and when he talks of a junction at Mirani, it shows me that either he is very careless in what he says, or else that he is very ignorant of the subject. There is no junction at Mirani, and there never was; but the object of the hon. member was to institute a very unfavourable comparison between the railway in the district of Mackay and the railway in the district of Cairns. As he represents Cairns at the present time, doubtless he was desirous of placing the returns for the Cairns Railway in a very favourable light. I do not in any way find fault with him for that, but I do not quite see why he should endeavour to do so at the expense of the Mackay Railway, and for that reason I propose to show what the returns for the two lines really have been. The hon. member stated that the Mackay Railway had this year lost some £2,000, while the Cairns Railway had gained about £3,000. I interjected at the time that if the hon. member desired to do justice, and to place the facts of the case before the people of the colony, he should give the figures for more than one year; but he did not give them for more than one year. The fact is, that for the first time in its existence the Cairns Railway showed a small profit over working expenses, and the hon. member, with the pride of a pullet which has laid her first egg, naturally desired to draw attention to this exciting and most remarkable occurrence.

MR. REID: I thought you had given the fowl to the socialists.

HON. D. H. DALRYMPLE: They could not keep it. They could not trust each other, and that was the trouble. The moment a person attempted to keep fowls the others nationalised them. But at present I am attempting to deal with railways. Now, the average loss on the working expenses on the Cairns Railway during the previous five years was £3,387 per annum.

MR. KIDSTON: That is allowing nothing for interest on the cost of construction.

HON. D. H. DALRYMPLE: But last year the railway showed a profit, and how did it show a profit? Purely because of the Chillagoe Railway Company.

MEMBERS on the Government side: Hear, hear!

HON. D. H. DALRYMPLE: It would have continued to show a loss as it always had done previously had it not been for that railway which hon. members opposite generally denounce. Yet the hon. gentleman claims credit, because last year the railway in his district accidentally showed a profit, and he suppresses the fact—and there is such a thing as suppression of the truth—that for many years the Cairns Railway had been run at an annual loss of £3,387. Now compare this with the Mackay Railway. I am not responsible for the comparison, as I have no desire to compare the railway in my constituency with those in other constituencies, but when hon. members make statements of this kind, let us have the whole truth. The Cairns Railway not only lost £3,387 on working expenses, but the loss by way of interest on a capital expenditure on the line, which I shall put at £1,250,000—although it was considerably more—amounts to £50,000 per annum, while the profits over and above working expenses for the five years preceding last year on the Mackay Railway were as follows:—For 1894-5 the net revenue was £4,400; in 1895-6 the net revenue was £2,553; in 1896-7 it was £1,103; in 1897-8 it was £1,872; and in 1898-9 it was £2,924. It is quite true that last year the conditions in connection with the Cairns Railway

altered in consequence of a private enterprise which hon. members on the other side would have nothing whatever to do with, and I fail to see how the hon. member for Cairns can claim any credit for the altered position of his railway, since it has been brought about by a means which, if he had the power, he would have prevented, and without which his line would have been going on with the same old loss of £50,000 in interest, and £3,000 on working expenses.

MR. REID: The Cairns Railway has only begun to pay since the present member was elected.

HON. D. H. DALRYMPLE: There was a loss on the Mackay Railway this last year for two reasons—and this is the first year for a good many that it has not paid a net revenue. The first reason is that there was an exceptionally bad season, and that entailed a loss in the railway earnings, and the next is because some very considerable expenditure has been debited to it in consequence of a large washaway, which again was in consequence of a blunder on the part of someone in authority. Seeing that I have shown that the Mackay Railway is a perfect Bonanza compared with the Cairns Railway, I would just ask an hon. member like the hon. member for Cairns not to be so anxious in the future to seek for a mote in his neighbour's eye when there is a great beam in his own.

MR. KIDSTON: You should remember that comparisons are odorous.

HON. D. H. DALRYMPLE: Are they? I am glad to find the hon. gentleman who has interjected still entertains recollections of his boyhood's days. Childishness has not altogether departed from him, and when he spoke recently of the "man who cometh after," it struck me that his reference was rather obscure. No doubt, in his younger days, he was familiar with scripture, and when he brings forward these reminiscences, and gives these quotations, it might be advisable to give chapter and verse. For my own part I entirely decline to believe that the hon. member can give chapter and verse for that quotation. The argument of the hon. member for Flinders, who spoke last—that if we are going to have extra taxation it should be imposed at once, I cannot altogether follow. That appears to be a most unreasonable position to take up. Because we are going to die some day, is that any reason why we should die now? I do not know why we should not put off something which is not absolutely necessary, and which is disagreeable, until circumstances render it necessary that we should submit to it. The Treasurer has let hon. members know the exact position; but if hon. members get up and state that though we are dealing with the Financial Statement, they are not going to discuss finance, that is quite sufficient to make me believe that they cannot grasp the financial position. That, however, is not the fault of the Treasurer. There are tables enough which will enable hon. members to grasp the financial position. There were tables enough to enable the hon. member for Rockhampton to make a very effective speech—and I must give that hon. member the credit which is his due. He recognised that this was a financial debate, and he dealt with the subject to the best of his ability. He went exhaustively into it from every point of view. It is quite evident then that as this complaint was not made previously by the great many hon. members opposite who are more or less familiar with finance, there can be no legitimate basis for it. The hon. member for Flinders, to my surprise, has become a pessimist. He said there had been a falling off in revenue, that last year there was also a falling off, and that we had expended £100,000 more than was anticipated, and looking

forward to next year he said we should only get a surplus by starving the departments. In that view the hon. member is not altogether alone, yet he is in a hopeless minority, because the majority of hon. members opposite have remarked upon the colony being in a flourishing condition, and we have been told that, in spite of the most abominable Ministry with which Providence could inflict any country, the resources of this country have pulled it through. The hon. member also pictured a harrowing scene of 5,000 persons being unemployed throughout the colony, and he wanted to know what the Treasurer had to say on that subject. So far as I know those 5,000 unemployed do not exist. It is quite true that a number of persons may find their occupation in connection with the pastoral industry temporarily gone, but it does not at all follow that no other avenues of employment will open up for them. The resources of the colony are such that as soon as one avenue of employment fails another springs into existence. While the pastoral industry cannot at present give employment to such a large number of people as formerly, yet the mining industry, as well as the agricultural industry, are in a highly flourishing condition. Moreover, it is the policy of the Government to introduce capital into the colony by offering facilities to private enterprise to construct railways to our mining centres, and thus give employment to the people; but if hon. members opposite carry out their own platform, they believe capital is a bad thing for the colony, and especially they do not believe that it should be applied to the building of railways by private enterprise. If they really believe that capital is a bad thing for the colony, all I can say is that those persons who returned them in order that they might better the condition of the working classes will inevitably be disappointed. I did intend to deal with some of the remarks of the leader of the Opposition and the hon. member for Rockhampton, but I do not want to prolong the debate. I believe the Treasurer's Statement on the whole is a satisfactory one, and I believe that except for opposition which is begotten of party no very great exception will be taken to it. I consider also that the attacks which have been made upon it have been very faint, and the great majority of them do not require replying to at length. I shall, therefore, deny myself the privilege of dealing with the speech of the leader of the Opposition, one of whose charges was that the Government had no policy. I shall, therefore, not deal with it, in order that public business may be expedited.

Mr. McDONALD: I would like to ask the Treasurer, seeing that we are going to have federation so soon, whether this amount of £300 for the Governor's aide-de-camp is really required. It seems to me that it is a huge waste, because, after all, what is an aide-de-camp for? He is one of those dandies kept at Government House to look nice and smile pleasantly upon various persons who come round from time to time, and I think the voting of such a salary as this is wilful waste of public money. Now that we are going to have federation so soon, the Governors of the various colonies will become merely Lieutenant-Governors.

The HOME SECRETARY: No.

Mr. McDONALD: They may not be exactly Lieutenant-Governors, but their [9:30 p.m.] status will be very much lower than it is at the present time.

The HOME SECRETARY: No.

Mr. McDONALD: I quite understand what was contained in the confidential document the hon. gentleman received. I know that Mr. Chamberlain wired to the various Governments in Australia, asking that the Governors of the

colonies should be allowed to retain their present status. When I asked the hon. gentleman to give that information to the House he would not do so, but I know that that was the nature of the communication, and I think that under the circumstances we should have some explanation as to whether this colony is going to be run from the other end of the Empire, from Downing street, or whether we are going to manage our own affairs. Considering that we shall be under considerable expense on the initiation of federation, I think some effort should be made to curtail the expense of Government House and of the Governor. If that is not done in the case of the present Governor, those in another part of the Empire should be given to understand that all future Governors will come here at very reduced salaries. The salary we are now asked to vote—namely, £300 for an aide-de-camp—is useless expenditure. I know that the hon. gentleman will say that it has been paid for a long time, and that we should let it pass, but I hope hon. members will take this opportunity to reduce that salary.

The TREASURER (Hon. R. Philp, *Townsville*): Touching the last remark of the hon. member for Flinders, I do not think we should seek to reduce the salary of the Governor.

Mr. LESINA: The other colonies are doing so, and that has been held out as a bait for federation.

The TREASURER: When I have ceased speaking the hon. member for Clermont can get up and address the Committee. He talks more than any other member in the House. I do not very often speak, and I hope the hon. member will allow me to continue my remarks without interruption. I should like to make a bargain with members of the Opposition. If I am here next year I promise to say all I have to say in half-an-hour if hon. members opposite will in turn promise to shorten their speeches this session.

MEMBERS of the Opposition: Oh, thank you!

The TREASURER: Of course I know it is no use trying to please hon. members opposite in the matter of a Financial Statement. I remember that one year I was told that the mining industry, the most important industry in the colony, had only half-a-column devoted to it. This year we gave two and a-half pages to that industry, and I must admit that the leader of the Opposition did not complain. The hon. member for Drayton and Toowoomba, however, complained about the length of the speech, and then concluded by saying that he was pleased that it contained four pages about agriculture. In preparing my Statement I followed the practice adopted by Sir Hugh Nelson, for I think his Statements were better than most of the Statements delivered by previous Treasurers of the colony. I do not pretend to be as able a man as Sir Hugh Nelson, but I have taken him as my standard.

Mr. KINSTON: A very bad one indeed.

The TREASURER: I do not think so. I think he was the best Treasurer we have had in this House.

MEMBERS on the Government side: Hear, hear!

The TREASURER: I have been told by some hon. members that the Estimates of revenue are altogether wrong, because I have included the Customs collections for the whole twelve months. When I made my Statement I did not know that Victoria was doing that. But Tasmania had done it, and now I find that South Australia has done almost exactly the same thing. Mr. Holder, the Treasurer of that colony, has taken the whole of the revenue from Customs for the first six months, and the whole of it for the following six months, less £20,000,

which they are going to contribute towards the cost of the Federal Government. Mr. Holder is, to my mind, one of the ablest Treasurers we have now in the colonies, and it is very likely that he will be the Federal Treasurer. His opinion about the cost of federation has always been, and still is, a very moderate one. He says—

The total cost of the new federal departments has been variously estimated at from £330,000 to £400,000 a year, and South Australia's share will be between one-tenth and one-eleventh. Taking it at one-tenth of £330,000 it would be £33,000 and it may be taken as anywhere between £35,000 and £40,000.

He does not think that on the 1st of January the Federal Treasurer will come down and say, "I want the whole of this money." No Ministry can be appointed until the 1st of January, and it will be quite impossible for any Treasurer to go and collect that money at once.

Mr. KIDSTON: Is the Constitution impossible?

The TREASURER: That part of it is quite impossible. I believe he will delegate the duty of collecting that money to the State Treasurers, and that he will make cross entries in his books showing the debits and credits.

Mr. KIDSTON: Then they will not appear in your receipts.

The TREASURER: They will appear in our receipts, and we shall get the whole of the money, less the amount required for the Federal Government for the first six months of next year. I do not think the Federal Government will spend £200,000 during the first six months. The estimate of £350,000 given by Mr. Holder provides for the whole of the federal machinery for a year, but I do not suppose that the officers of the judiciary and some other officers will be appointed on the 1st January or the 1st of March. The hon. member for Drayton and Toowoomba complained that I did not make provision for the loss that must be sustained this year under federation, and says that there should be no land tax or an income tax imposed, giving as a reason that the people are too poor to have additional taxes imposed upon them at the present time, and so long as we subsidise the land we cannot logically tax it.

Mr. McDONALD: How do you subsidise it?

The TREASURER: We subsidise it by endowments to local authorities, and that subsidy must come off the Estimates before we can impose a land tax. I think it will be two years from now before we need to make any provision for any decrease in our revenue through federation. The Federal Parliament have two years in order to frame a Customs tariff, and I think it will take them all that two years; and until that time comes we work under our present tariff. After the Federal Treasurer gets into full swing, he will take over the military, harbours, post and telegraphs; and he takes all our collections and returns three-quarters of the Customs at least. As to forecasting our finances two and a-half years hence, that is a thing I am not going to try, nor do I think the late Treasurer would try. I was told seriously by the hon. member for Leichhardt that I ought to have provided this year—and the hon. member for Toowoomba expected that I would have provided more Customs revenue this year—to make up for the loss under federation. Then the hon. member for Rockhampton North always attacks my surpluses and says they are shams and delusions, and not real surpluses at all; but this surplus has been paid over already and a cheque has been given. He says every year, "Look at the amount paid out of loan that ought to be paid out of revenue." It is quite the reverse. This year and last year we paid money out of revenue that ought to have been paid out of loan.

Mr. STEWART: What was that?

The TREASURER: The sum of £30,000 was paid for the purchase of land from the Church of England, and it was taken out of revenue, because we had the money to spare. Nobody can say it was a fair thing to take that money out of revenue rather than out of loan. Then there was some other land bought in William street, and that was paid for out of revenue. That will be an asset to the colony as long as it is a colony. Then I am charged by the hon. member for North Rockhampton with being out in my forecast last year. Two items alone account for that. There was £140,000 odd for sending troops to South Africa; and when I made up my estimate last year there was no thought of war, and no thought of sending troops to South Africa.

Mr. KIDSTON: The Estimates must have been made up very early.

The TREASURER: The troops did not get away till November.

Mr. LESINA: Did not Tyson's death come to your assistance in this matter?

The TREASURER: We knew of Tyson's death, and we provided for that money. There is some coming in yet on that account. Instead of being hard on the Railway Department last year we were very lavish. Those two items alone will account for the money spent over the estimate—that is, £140,000 for sending the troops to South Africa, and £30,000 for the land purchased from the Church of England. The hon. member for Flinders attacks us for our parsimony in regard to railways. I may say that I am trying to make the railways pay something towards interest. I may also say that all the departments want to spend more money than you will give them. Hon. members opposite will find that out when they come over here. They generally ask for double what they expect to get.

Mr. KIDSTON: They are like the horse-leech.

The TREASURER: Yes, like the horse-leech. The railways spent in the year 1895-6 the sum of £640,000; in 1896-7 it was £682,000; in 1897-8 it was £684,000; in 1898-9 it was £783,000, or £100,000 more than in the previous year. I don't object to that, because they earned more than £100,000 more; but the next year they spent £910,000, or nearly £200,000 more than the previous year. The estimate was £970,000, and they spent £160,000 more than the previous year, though they only earned £100,000 more.

Mr. KERR: That was owing to the boiler explosions.

The TREASURER: No. There were only two boiler explosions, and they are buying twenty-five more boilers. If hon. gentlemen compare our railway expenditure with that in the other colonies they will find that we spend perhaps more in proportion to the revenue we receive than they do in some of the other colonies. This year the estimated revenue is less than last year. The revenue was £1,422,000 last year; it is estimated at £1,396,000 this year—that is, £26,000 less than last year. We spent £947,000 last year; we are allowing £971,000 this year—that is, £24,000 more than we spent last year. I think that is a very liberal provision for our railways. Of course, if any part of our railways is as bad as reported by the hon. member for Flinders—

Mr. McDONALD: I merely read Mr. Stanley's statement.

The TREASURER: We will take care that any railway such as the Northern Railway will be kept in good order. It deserves to be kept in order, seeing that it earns a lot of money. It is not the Treasurer's fault if lines were not relaid last year. We provided £1,696,000 last year in loan, and only spent £1,100,000. We provide £1,600,000 this year, and we may not spend it all. In that there was provision for relaying. I

think it was not all spent. If there is any danger at all, we will have them relaid wherever it is necessary. I have also been blamed for spending too much money—for not being careful enough. These figures are not made up in an hour or a day; they require a deal of care and thought; and I am guided by the several heads of departments. I don't take it upon myself to say that this much money will come in. I sometimes correct estimates—generally taking things off, not putting them on—to make both ends meet; and I say I am justified in thinking that the revenue will be what I say it will be this year, judging by the figures of last year and the year before. The revenue for 1897-8 was £3,768,000; for 1898-9 it was £4,174,000, or £400,000 more; last year it was £4,588,000, or more than £400,000 more; and this year the estimate is only £6,000 more than last year's revenue.

Mr. KIDSTON: That does not explain it. It is too moderate an estimate. That makes one wonder why the estimate is so low this year.

The TREASURER: Do you think we ought to make it higher?

Mr. KIDSTON: On these figures, taking these figures alone.

The TREASURER: I look at the circumstances of the country. I must do that. I must look all round the sphere of operations, and I shall be very, very pleased if these figures are realised. Of course a Treasurer cannot control the revenue; that, he cannot force in any way; but the expenditure he can sometimes control; and I promise this House that I will control it this year.

An HONOURABLE MEMBER: By starving it.

The TREASURER: No, I will not starve it. I think we will have to keep things in a good position; and if both sides of the House will assist me in doing what we are doing, we shall do that. Now, in regard to railways, I think we are running far too many trains. The hon. member for Cairns instanced one case at Mackay. I do not know that Mackay is the only case. I believe there are other places in the colony where we run too many trains.

Mr. TURLEY: He did not say that we have too many trains. He said there was one train at Mackay which was run merely to carry a basket of bread.

The TREASURER: I think he said there was a train run once a day which only carried a basket of bread; and certainly in no part of the colony should we run a train under those circumstances. But on the one hand I am blamed for being extravagant, and on the other hand some members want me to spend money.

Mr. DAWSON: You have two hands.

The TREASURER: Yes, I have two hands, and I am responsible for both hands. Now, strange to say, there seems to be an impression that we have spent more money this year than last; but there is a lot of money that the Treasurer has no control over—that is, the schedule money. He must pay the hospitals £2 to £1, and during the last five years we have had to pay a great deal more than we had five years ago. That means a good deal of expenditure. Then education has been growing, and in good times many other things of that sort—

Mr. KIDSTON: There has been an increase in education, but it is wonderful how little it is compared with other departments.

The TREASURER: I think it has fairly increased with the others.

Mr. KIDSTON: Yes, it has increased fairly with some others; but after all that is said about the increased expenditure on education, it is wonderful how small the increase is compared with other departments. Seventy odd thousands increase for the last five years.

The TREASURER: There is a lot of money spent on schools which is not in the education vote.

Mr. KIDSTON: Then there is the Home Secretary's Department £31,000.

The TREASURER: There was the bubonic plague expenditure last year, which amounted to £6,361. The Home Secretary's expenditure ten years ago was £465,000, and last year he spent £500,263, an increase of over £35,000. Then there is £74,000 in the Chief Secretary's Office. The Chief Secretary spent £270,000, and one-half of that goes to pay for the contingents. Now, the Education Department has spent as low as £210,000, and now it is £286,000, and besides that there is about £35,000 for buildings; and there is £10,000 in the schedule which is not in this vote.

Mr. TURLEY: That has always been in the schedule.

Mr. KIDSTON: £105,000 on the last five years, and that is purely departmental expenditure.

The TREASURER: It is for buildings. In good years we put up a good many buildings. Last year it went up to £70,000 because money was coming in, and we were assured that the buildings were required. Of course if money were not coming in, even though buildings were required they would not be put up. I think we have been very moderate in our expenditure. The Mining Estimates have increased a good deal, and in view of the importance of mining they deserved to be increased.

Mr. KIDSTON: The previous year the revenue came in freely, and then you increased it.

The TREASURER: Yes; we had to increase it. I do not see any unusual increase during the last five years.

Mr. BROWNE: What about defence—more than double.

The TREASURER: I can assure you if I had acceded to the requests from all parts of the country it would have been two or three times that amount.

An HONOURABLE MEMBER: Is that a good reason?

The TREASURER: No. I had to cut it down tremendously, much to the sorrow of lots of people. Certainly all over the place there was a request for more expenditure.

Mr. LESINA: You had better put a war tax on the whole of the community.

Mr. KIDSTON: A great many people want more defence, and perhaps they do not want to spend much more for it.

The TREASURER: It is quite possible they do.

Mr. KIDSTON: It is quite possible to do it.

The TREASURER: I certainly do not pretend to be a general, but the gentleman we have in charge of the Defence Force now I really think he is one of the best men we have had.

Mr. KIDSTON: Yes, I believe he is.

The TREASURER: He is a good man, I believe, but I can assure you he could spend a lot of money.

An HONOURABLE MEMBER: That is a feature of the War Office.

The TREASURER: I believe it is.

Mr. LESINA: What about immigration?

The TREASURER: I do not think we spent more money than we did last year. I think it is money well spent. The people we are bringing to the colony at the present time are not in any way competing with any other tradesmen. They are filling up gaps, and are required in consequence of the increase of agriculture in the country. There was fully 50,000 acres or more of land put under cultivation last year.

An HONOURABLE MEMBER: A lot go to the other colonies.

The TREASURER: No, I do not think a lot go. I think we get far more from the other colonies than we send to them. And as soon as they come here they bring in revenue, and they take a share of the national debt off our shoulders. Now, I have already complimented the hon. member, Mr. Kidston, on his criticism. I am very glad that he has criticised my Statement; I wish some of his friends had done it in the same way. Criticism is useful to a Treasurer. Of course I do not agree with him altogether in his premises. He wanted to know why there was a difference of £30,000 in the loan expenditure. That is made up of 3 per cent. discount on the debentures sold.

Mr. KIDSTON: More than 3 per cent. on £129,000.

The TREASURER: We sold £1,025,000 of debentures at £97; that makes up the difference. He might have taken them as worth £100.

Mr. KIDSTON: That does not seem to make a difference of £27,000.

The TREASURER: His advice about the floating of the next loan I do not agree with. He thinks we ought to use a portion of the gold reserve for the Treasury notes—to keep the 25 per cent. required by the Act, and use the balance, and also the money at fixed deposit in the banks.

Mr. KIDSTON: What you lend to the banks you should lend to yourself.

The TREASURER: I do not think it would be wise to lock that money up for twenty-five or fifty years.

Mr. KIDSTON: You would have the debentures.

The TREASURER: We might overrun the actual note issue.

Mr. KIDSTON: Does it matter where it is locked up.

The TREASURER: I think so.

Mr. KIDSTON: Was it not locked up when the crisis occurred?

The TREASURER: It was in one bank before, now it is in six banks.

Mr. KIDSTON: In how many was it locked up?

The TREASURER: One.

Mr. KIDSTON: Only for the action of the Government they would all have been locked up.

The TREASURER: Which Government?

Mr. KIDSTON: This Government.

The TREASURER: Oh, no. The Banks that survived were not assisted by the Government. I do not think it would be wise to do what the hon. member suggests. Of course, I do not think everyone would bring their notes in the one day and say they wanted gold. I do not think that at all, and, in fact, I think the Treasury note issue would be the last there would be a run on.

Mr. KIDSTON: Have you not debentures at home as a second line of defence?

The TREASURER: That is quite so. At the same time we have money here in four strong banks. Taking an average of a number of years, we will know that we will have a certain amount of money in the Savings Bank.

Mr. KIDSTON: You borrow money at 3½ per cent. just now, and lend it to the banks at 2 per cent.

The TREASURER: Not the same money.

Mr. KIDSTON: Not the same money?

The TREASURER: We paid £3 8s. for the last loan, but that was for fifty years, and we lend this money for twelve months at 2½ per cent.

Mr. KIDSTON: And at the end of twelve months you continue to lend it, and are afraid to take it out.

The TREASURER: We are not afraid to take it out. If we require it we draw it. I think it is better to go on as we are in the meantime, and until we know what is to be done with the note issue after federation. The Federal Government have the power to take it into their hands, and they may do so. I hope they will not. We have only had this note issue in operation for six years—since 1894—and it is too soon yet to say how much of that money we can permanently lend. I should certainly not advocate the lending of that money permanently; but the Savings Bank money I would up to a certain amount. It is just possible that if this House passes the plans and sections of a number of railways this year, and also a new Loan Bill, it is just possible that the Savings Bank may be looked to for £500,000, if not more, of the money required. It got a sum last year of £450,000 more than it was paying out—perhaps a bigger sum than we will get this year.

Mr. KIDSTON: What about the Federal Government taking over the debt?

The TREASURER: They might. There is one thing they won't do, and that is, take over the profit of £55,000 to credit. As to the question of giving sufficient interest, I think the interest is sufficient, and we will go on locking up larger sums from depositors. £450,000 in one year is a good sum to be practically locked up, and it might be a good deal better for the country if that money was invested in the colony.

Mr. KIDSTON: That is a question for the depositors.

The TREASURER: The depositors do not think so apparently, and they bring their money in. I think that money will grow, because, notwithstanding the remarks of the hon. member for Rockhampton, I think all the depositors have confidence in the bank.

Mr. KIDSTON: No remarks of mine would lessen their confidence.

The TREASURER: I can assure the hon. member that an hon. member of this House showed me a letter from a friend of his out West, last session, wanting to know if the statement of the hon. member for Rockhampton, that I was using the Savings Bank money illegally, was correct, and whether there was not some risk in it. I know the hon. member does not believe that there is any risk at all.

Mr. KIDSTON: I do not think there is the slightest risk.

The TREASURER: I know the hon. member did not think I appropriated the money illegally.

Mr. KIDSTON: No one trying to understand what I said then or what I said the other day could take such a meaning from my words.

The TREASURER: I can assure the hon. member that last session one member of the House came to me with a letter from a friend of his in the West, stating that he had read the hon. member's criticism—which was published in the *Worker*, I believe, and circulated throughout the country. As to the difference of opinion about how much interest I should pay the Savings Bank, so long as the depositors are paid the interest guaranteed to them they have no cause to complain, and every man, woman, and child in the colony benefits if we can get money from the Savings Bank at 2 per cent. We are not breaking faith with the depositors—

Mr. KIDSTON: Don't you think you had better alter the law before you do that?

The TREASURER: I contend we can do it legally. There is no bank I know—certainly not in this colony—that has all its money out as the Savings Bank has. If you take up the statements of the principal banks in Australia, you will find that one bank keeps nearly one-third of

its deposits in gold. There is one bank that keeps between £6,000,000 and £7,000,000 of gold in its coffers, and its deposits are £21,000,000. The Savings Bank does not do that. They lend every shilling they can get, and I think we could safely buy off £400,000 or £500,000 more debentures and get 3 per cent. The balance, £500,000, we might keep, and pay no interest at all. I was blamed in years past by the other side of the House for keeping so much money available, and now that I am keeping as little as possible they say, "You should have a stronger reserve." The hon. member for Rockhampton talks of the loan account being depleted on the 30th June, but we were floating a loan in London at that time. A loan of £1,400,000 was floated, and notwithstanding the remarks of some hon. members, I think that considering the remarks of some hon. members, that loan realised a good price.

Mr. FISHER: It is generally considered a failure.

The TREASURER: Where?

Mr. FISHER: Everywhere.

The HOME SECRETARY: Who by?

Mr. FISHER: By the *Sydney Morning Herald*.

The TREASURER: It was not considered a failure by the London financiers. We are borrowing money cheaper than the New South Wales Government, and certainly the *Sydney Morning Herald* has no right to say our loan was a failure. We also got cheaper money than either Western Australia or South Australia, and the hon. member for Gympie, Mr. Ryland, will bear me out when I say that the London City Council 3 per cent. debentures sold at £95; and their stock is almost as good as consols. I may tell the House that a certain gentleman was greatly disappointed in not being able to participate in the last loan, and I cabled home and bought for him £25,000 worth of debentures, which sold at £94 0s. 2½, for £92 15s.—£1 5s. under the price they were originally sold for. Therefore, considering all things, I think that Queensland did exceedingly well over the last loan; and I have a number of English and Scottish papers to hand which state so.

Mr. LESINA: It was underwritten.

The TREASURER: Yes, and that was very fortunate as it happened. I am sorry that there was any cause to underwrite it; but that is becoming the fashion. Western Australia, South Australia, and Queensland all had to get their loans underwritten.

Mr. HARDACRE: I think you did very well.

The TREASURER: Yes; I think so, too. Now, I have been made to say that the reason why we are advocating these syndicate railways is because we cannot borrow any more money ourselves; but I never said so. I did say that the Government would not now be justified in asking this House to allow us to borrow money to build the private railways now before the House, and the hon. member for Flinders bears me out. He says he would not vote for the Government to build the Cloncurry line, and he would not allow a syndicate to build it. I had doubts myself about this Cloncurry line, when the hon. member who represents that large, flourishing district says that he would not allow any syndicate to build the line nor vote for the Government building it.

Mr. DAWSON: Is the statement in the *Courier* and the *Telegraph* true with regard to what you said?

The TREASURER: What is that?

Mr. DAWSON: That about syndicate railways—if you could not get your own way, you would resign?

The TREASURER: I never said that. I don't think the hon. member has any right to

ask such a question. When I am prepared to resign I will tell the House. The hon. member for Charters Towers knows the precedent in such a case.

Mr. DAWSON: It is not a Ministerial precedent.

The TREASURER: The hon. member for Flinders says he would not vote for the Government or a syndicate building the Cloncurry line. Well, what are the people there going to do?

An HONOURABLE MEMBER: Take the other route.

The TREASURER: I may be more interested in that route than that hon. member is, but I do not think it is fair that the Cloncurry people should be compelled to travel 500 miles by rail while they can travel by another route to deep water in 250 miles.

Mr. McDONALD: You can get from Brisbane to Normanton seven days sooner.

The TREASURER: We should not build lines specially for members of Parliament or for persons whose only desire is to travel quickly. On this line it is expected that an enormous quantity of goods will be carried, and Cloncurry to Normanton should be the route to deep water. It has been said that the Government should build these railways, but we know that the Minister for Railways has applications for a lot of railways, which are estimated to cost £25,000,000. We could not build them in two years, or even in ten years.

Mr. FISHER: And not one tabled.

The TREASURER: There is plenty of time to table them. Only last week we received the report of the Railway Royal Commission, dealing with three proposed railways. I remember I tabled several railway proposals in 1895-1896, and although we started near the end of the session I got them all through.

An HONOURABLE MEMBER: Then why are you in such a hurry about these private railways?

The TREASURER: We have a lot of work to do this year, and I want to get through it. I understand hon. members have been invited to go to Sydney on the 1st January to witness a great national function, and I hope they will be able to attend the ceremony. I would not care to come back here afterwards and resume the business of this House; but, if the present rate of progress is continued, I think we shall find ourselves sitting after Christmas.

Mr. JENKINSON: Why not sit four days a week?

The TREASURER: Yes, we shall have to do so next week. On the whole I am rather pleased with the criticisms on the Statement. Of course I know that I cannot please everybody, but I believe that most people in the colony and outside are generally pleased with it. Next year if I am here, I shall be quite satisfied to only speak for half-an-hour on the figures. On the whole, I think the colony is prosperous.

Mr. KIRSTON: We would much sooner have all the information in the form of tables.

The TREASURER: It would be very hard to deal with all the various matters in that way. The hon. member for Gympie, Mr. Fisher, and the hon. member for Toowoomba, Mr. Groom, have expressed their gratification, at all events, with portions of the Statement, and the leader of the Opposition has not complained very much about the mining industry; but I do not know what would please the hon. member for Clermont. I know that he is very anxious to get a railway in his district, but at the rate he talks I don't think he will ever get it for years to come. He spoke for an hour and a-half the other night.

Mr. LESINA: You spoke for two hours.

The TREASURER: I don't think I have any further remarks to make. I am going to ask the House to sit four days a week next week.

Mr. JENKINSON: Why not five?

The TREASURER: I hope to get on with business. We have been here two months, and we have only passed the Address in Reply, the Financial Statement, the Health Bill, and two minor Bills. There are twenty-one Bills on the business-paper and there are more to come, in addition to several plans and specifications of railways to be discussed.

Mr. FITZGERALD: Do you call the Health Bill a minor Bill, or the Pastoral Leases Bill, that we have read a second time?

The TREASURER: The last-named is not a very long Bill. I hope that with four days a week we shall get through some business.

Mr. DAWSON: When do you intend starting on the Estimates?

The TREASURER: Perhaps next week. I intend to devote one day a week to the Estimates. The Auditor-General's report, I believe, is not yet in the hands of hon. members, and they ought to have that before them when they commence to criticise the Estimates. I intend to give notice this week that Friday be an additional sitting day; and with four days a week, and with a desire on both sides to get on with business, we may accomplish a great deal.

HONOURABLE MEMBERS: Hear, hear!

Question—That there be granted to Her Majesty, for the service of the year 1900-1901, a sum not exceeding £300, to defray the salary of the aide-de-camp to His Excellency the Governor—put.

Mr. JENKINSON: I rise to a point of order. On the 30th August last the same motion that you are now putting was put to the Committee, and according to *Hansard*, page 601, it was passed. My point of order is that you cannot put a question again that has already been passed.

The CHAIRMAN: I am not aware that the motion has been passed. It has been put frequently, but it has not been carried so far.

Mr. JENKINSON: Here is the official record.

Mr. LEAHY: It was put and carried.

The CHAIRMAN: I am not responsible for *Hansard*.

Mr. McDONALD: An hon. member has made a statement that this question has already been passed, and we ought to have some explanation about it.

Mr. BROWNE: The hon. member for Wide Bay is quite correct. The statement did appear in *Hansard*, and I had intended to draw attention to it. But knowing that the official record is "Votes and Proceedings" I looked up "Votes and Proceedings" for that date, and I found that the question was simply put, and that the debate was adjourned. An error has crept into *Hansard* somehow, but it is of no consequence, so far as our proceedings are concerned.

The TREASURER: I move, Mr. Grimes, that you do now leave the chair, report progress, and ask leave to sit again.

Mr. BROWNE: Does the hon. gentleman intend to go on with any further business to-night?

The TREASURER: I should like the next Order of the Day to be called, so as to get the Speaker's ruling upon it.

Mr. DAWSON: We cannot take the Speaker's ruling, after waiting a week, at half-past 10 at night. Take it to-morrow.

The TREASURER: As soon as it is given I will adjourn the House. It should not take more than five minutes.

Mr. TURLEY: I would point out that we do not know what the ruling is going to be, nor whether any hon. member on either side may not move that the ruling be disagreed to. If the ruling is objected to, a motion to that effect will have to be made straight away.

The TREASURER: The debate can be adjourned.

Mr. TURLEY: No, the debate cannot be adjourned. The hon. member who moves that the Speaker's ruling be disagreed to has to give his reasons straight away for doing so before the matter can be adjourned. No other business can intervene.

The HOME SECRETARY: The House will be in the same position whenever the ruling is given.

Mr. McDONALD: There is just this difference: that the business will have to go on whether we like it or not—that is, presuming either side may object to the ruling. Of course it is possible there may be no objection to it.

Mr. LEAHY: We have debated the point of order already. We should only use the same arguments again.

Mr. McDONALD: I would like to point out that in 1893, when Sir Thomas McIlwraith thought it necessary to move that the Speaker's ruling be disagreed to, it immediately opened up new business which lasted a considerable time, and we had to go on with the discussion. I do not think it is a fair thing to ask hon. members to go into further business to-night, unless it be to devote an hour or so to the Estimates, seeing that we are now in Committee of Supply.

Mr. BELL: I should be much obliged to the hon. member for South Brisbane if he would name the Standing Order which corroborates his statement that if you move to disagree with the Speaker's ruling you cannot adjourn the debate.

Mr. TURLEY: Any debate can be adjourned. What I said was that the mover of the motion would have to give his reasons for doing so. Someone else would have to move the adjournment of the debate.

Mr. BELL: Of course, I accept the hon. member's explanation, but I certainly understood him distinctly to say the discussion could not be adjourned.

Mr. FISHER: I am of the same opinion as others on this side, that the Speaker's ruling should not be given to-night, for this reason: The ruling that will be given in this case will probably be the most important that has ever been given in this Assembly, and it is most desirable that the widest publicity should be given to it, not only in the House, but in the country. It is not the proper time to give it at the latter end of a sitting. A ruling of such importance should be the first business [10:30 p.m.] of the sitting. Hon. members will admit that nothing more important has ever been done in this Assembly than the ruling which will be given from the Chair on this question, and it is most desirable that full publicity should be given to it.

The TREASURER: I arranged with the leader of the Opposition that the House should adjourn at half-past 10 o'clock, and I told him that I wished the Speaker's ruling to be given if there was time; but, as there is a desire to start with the ruling to-morrow afternoon, I have no wish to go on with any further discussion now.

MEMBERS of the Opposition: Hear, hear!

Question put and passed.

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

The House adjourned at twenty-seven minutes to 11 o'clock.