

Queensland



Parliamentary Debates
[Hansard]

Legislative Council

TUESDAY, 10 SEPTEMBER 1901

Electronic reproduction of original hardcopy

LEGISLATIVE COUNCIL.

TUESDAY, 10 SEPTEMBER, 1901.

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

PAPERS.

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

- (1) Report of the Government Resident at Thursday Island for the year 1900.
- (2) Report on the Hamilton and Coen Gold Fields.

STAMP ACT AMENDMENT BILL.

THIRD READING.

On the motion of the SECRETARY FOR PUBLIC INSTRUCTION (Hon J. Murray), this Bill was read a third time, passed, and ordered to be returned to the Legislative Assembly, by message, in the usual form.

TREASURY BILLS BILL.

SECOND READING—RESUMPTION OF DEBATE.

On this Order of the Day being read,

The RIGHT HON. THE PRESIDENT said: This Bill was before us last Wednesday, on which occasion the Hon. Mr. Barlow took advantage of the motion for its second reading to address some remarks to the Council generally on the Financial Statement of the Treasurer. Some exception was taken to that by one of the Ministers; I do not know why,

because I think the Council is perfectly in order, on any Bill which affects the taxation or the financial position of the country, in debating it at any length it may desire. We are restricted to some extent, inasmuch as it would not be competent for us to amend a Bill of that nature; but we have the privilege, if the Bill is considered entirely against the interests of the colony, of rejecting it on the second reading. So far from this being an infringement of the rights of the Council, I consider—although it may not be very usual to discuss the financial position generally on a Bill of this sort—that, if the Council has not done so hitherto, it has to a large extent neglected its duty, because I conceive that it is the duty of the Council to take the fullest interest in the financial arrangements of the Government, and to debate in what way they will be for the interests or otherwise of the colony as a whole. But it is not an unusual thing after all. I find, upon looking through the records of the House, that on many occasions it has been the custom of the Council to discuss Loan Bills particularly, and also Appropriation Bills and money Bills of all kinds. I therefore wish to draw your attention to the fact that if those Bills are not given attention to in the way they ought to receive attention in this House, it will not be because we have no right to do so, but more from a disinclination on the part of the Council to do their duty to the colony. I think, therefore, we are under an obligation to the Hon. Mr. Barlow for the manner in which he has brought this matter before the Council. I think, further, that the remarks and criticisms which he has made ought to be thankfully received in the spirit in which he has given them. He has made some very stringent remarks with regard to the Treasurer's Financial Statement in another place, to which he was referred by the Minister representing the Government in this House; and I would like, if you will permit me, to say a few words as to how the matter strikes me, particularly as to the matters to which the Hon. Mr. Barlow referred. In the first place he took exception to an arithmetical error which had crept into the Financial Statement with regard to the estimate dealing with the Commonwealth accounts. On examination, I think there can be no doubt that such an error does exist. As the Hon. Mr. Barlow very truly said, it is purely a matter of arithmetic, and arithmetic being an exact science, any error of that sort displays itself. It arose, as I said, from the Treasurer's attempt to make an estimate of what his income for the present year is likely to be. In doing so the Treasurer estimated as nearly as he could how much he was likely to receive back from the Commonwealth Treasury, and he stated that he based his calculations in that respect on the basis of the figures of last year. The figures of last year do not bear him out to the extent of £20,000. It is just as well to draw attention to that. At least I cannot see that any harm can accrue from doing so. But I would like to point out, on the other hand, that as far as estimates are concerned, their value depends to a large extent upon the data on which they are based. The Treasurer on this occasion emphatically pointed out that in framing his estimates for the present year he was completely embarrassed by the uncertainty of the position. We can all sympathise with him in that respect. The question then arises, how much importance are we going to attach to any estimate prepared under the present circumstances? I think myself very little, because, even supposing there is an error in the figures, the main question with regard to the estimate is not as to whether it was based precisely on last year's figures, but whether it is an estimate that is in the main reasonable or probable respecting what is to

happen during the present financial year. If you look upon it in that light you will find that a matter of £20,000 is a matter of very little significance. On the other hand, as the Hon. Mr. Barlow also very fairly pointed out, there are matters on the other side of the ledger, as well as the receipts, to which the same remark may apply. They are very doubtful. In fact, I hardly see myself that we have any reliable data upon which we can frame a really good estimate as far as details are concerned. For instance, the Treasurer reckons that he will have to pay for the Commonwealth general expenses for the current year a sum of £50,000. The Hon. Mr. Barlow's estimate of Queensland's share of Commonwealth expenses is one-eighth of that of the whole of Australia. That is a very liberal allowance. I should not take it at so much myself; I should be more inclined to take it at one-seventh. But take it at one-eighth, the Treasurer is providing one-eighth of £400,000 for the Commonwealth expenses during the current year. I confess I know very little about the accounts of the Commonwealth, for the simple reason that they do not supply me with any information. I have been President of this Council since federation was established, and they have not even done me the courtesy of sending me a copy of *Hansard* or any of their parliamentary papers. I am therefore reduced to take information from the usual channels of information—that is, the Press of the colony. Now, from the returns that we get published there—and assuming that they are of value—the expenses of the Commonwealth will be a long way below that—I think for the month of August nothing like the proportion of that amount. I think therefore that the Treasurer in that respect has left a very wide margin which will cover a good many small errors on the other side. Leaving that subject—and I need hardly say to members of this Council that even in ordinary circumstances, when things are going on in a certain routine almost, when business is quiet and things are simply moving along in a natural way, even then it is a most difficult thing to make an estimate that will afterwards stand the test of investigation. Every one of us, I dare say, in the course of our business—I know that I have for many years—has had occasion to make an estimate of our income and expenditure for the following year. On no occasion have I known those estimates turn out correct, more particularly so far as details are concerned. Sometimes in my own personal experience, and in my experience in the Treasury, the result has turned out somewhere near anticipation; but when one examined into the details afterwards, he found on nearly all occasions that some anticipations were too high and others were too low.

Hon. B. D. MOREHEAD: Hear, hear!

The RIGHT HON. THE PRESIDENT: I recollect a most remarkable case that occurred to myself in the Treasury in January, 1894, just after the crisis. Nearly everybody was taking an intense interest in the operations of the Treasury at that time; and the late Mr. E. B. Cullen, the Under Secretary, and myself—and I may say with regard to Mr. E. B. Cullen that no more capable man ever occupied the chair there.

HONOURABLE GENTLEMEN: Hear, hear!

The RIGHT HON. THE PRESIDENT: We went carefully through the half-year that had passed, and gave our most careful consideration to what was likely to happen for the six months to come. We went through all the details, took averages, did all we could to form a good estimate, and the result had to be verified then on the 30th June. We put the calculations away in a drawer, and when I went afterwards to

compare the details of our estimate with the details of the actual result, strange to say, although our calculation was within £100 of the result, I found that on no one occasion were the details correct. It might almost be said that our estimate—although it turned out correct—was more of an accident than anything else, because not one of the details was within a reasonable amount of correctness. Some were over, and some were under. This only shows that estimates of probable ways and means, as well as estimates of expenditure, are always subject to great fluctuations, which possibly the best man cannot foresee. In the present condition of the colony, with its immense drought to contend with, and with the transition state we are in with regard to federation, I look upon any estimates which are made now as useful, no doubt, but you cannot place any great reliance upon them. The whole tendency of the position goes to show that we must proceed with the utmost caution. The Government cannot control their income, more particularly as a very large portion of it is now given up to—

Hon. A. H. BARLOW: A foreign power.

The RIGHT HON. THE PRESIDENT: A power altogether outside us. They cannot control their income, neither can they control even what is left of that income. The Treasurer cannot compel people to travel by the railway. He can only estimate what will happen in the ordinary course of Nature. What has been said in criticism of the anticipations of the Treasurer is well worthy of consideration. We have, as you know, lost more than half of the stock of the colony. We have lost I suppose, on the very smallest calculation, £6,000,000 worth of the material wealth of the colony. That wealth, when it existed in the shape of stock, was productive of trade and commerce. It created traffic for the railways; it created business for commercial people; and it permeated the whole body politic. That wealth, for the time being, is gone. We have not recovered it, and under those exceptional circumstances really I do not see that it is of very much use going into minute details as to what we are likely to receive.

HONOURABLE GENTLEMEN: Hear, hear!

The RIGHT HON. THE PRESIDENT: With regard to the present financial year, I do not think it is possible for any man to make a calculation that would be of very much use. Now, with regard to the Bill before us, it is necessitated by the Treasurer having shown by his balance-sheet to 30th June last a deficit of £525,000. A very serious state of affairs, everyone will admit, and a most deplorable state of affairs in the present history of the colony. It is partly due to the loss in wealth that the colony has sustained—which some people attribute to the dispensations of a Divine Providence—and we might fairly say that it is—and, secondly, to the purely transition state in which we are with regard to federation. The second cause is our own doing, and for it we are responsible.

Hon. B. D. MOREHEAD: Some of us.

The RIGHT HON. THE PRESIDENT: We have to put up with it and make the best of it.

It is necessary to provide for this [4 p.m.] deficit. The one particular duty of the colony, I think, is, under any circumstances, to do its best to pay its way and not to go into debt more than it can help. When I say that it should not go into debt I do not refer to borrowing money for reproductive works such as railways and other public works, of which I entirely approve; but I mean that the colony should pay its way so far as regards the paying the cost of its own domestic administration. That ought to be done under any circumstances, as well as, and including, the very material part of paying the interest on the money we have

borrowed from the public creditor. Probably the first thing we should look to as part of our duty is to pay the interest on the public debt. The Treasurer, not having been able to pay his way during last year, has come to Parliament, and said, "I want to postpone the payment of this amount of £328,000 for a certain number of years, in the hope that during that period we shall be able to save enough money to make up for our losses during this year." The way the Government propose to do that is by issuing Treasury bills to the amount of £530,000. Well, what the Treasurer proposes is the usual thing. It is what has been done before; but whether it has been done before with good results or not I very much doubt. In fact, I cannot look back to any occasion in the history of this colony, when it has been necessary to issue Treasury bills in aid of revenue, upon which those Treasury bills have been met out of surplus revenue accruing in subsequent years.

Hon. A. H. BARLOW: Hear, hear!

The RIGHT HON. THE PRESIDENT: I do not think any case of it has occurred. That is rather a gloomy prospect, therefore, to look forward to; but it is one that has to be faced. We must face the situation. We must do our best to tide over the difficulties in which we find ourselves landed; and I cannot suggest anything better than the one that has always been adopted—that is, the issuing of Treasury bills. At the same time, if we authorise the Government to issue these Treasury bills, it does not necessarily follow that the bills must, immediately after they are authorised, be placed upon the market and sold for what they will bring in the shape of cash. The Treasurer has got advantages in other respects that may enable him, without any great difficulty, to postpone the payment of this overdraft—because it is really nothing else but an overdraft—and, after we authorise him to issue £530,000 worth of Treasury bills, he is in this position: that he can issue them if he really requires to do so, but, if he does not require to do so, he can hold them in hand as a good asset for the Treasury. That has been done on previous occasions when Treasury bills had been authorised and have not been sold. I recollect a Treasury Bills Act being passed—I think in 1893 or 1894—for something over £600,000. None of those Treasury bills were ever placed on the market except some £14,000 worth, and that not because the Treasurer wanted the money particularly, but because there were certain investors in the Savings Bank who, having trust funds in hand, required some Government securities in place of keeping their money in the Savings Bank without interest. That, of course, has been cured since by the establishment of the Savings Bank inscribed stock. All those Treasury bills have been long since redeemed except one for £1,000, the holder of which is so enamoured of this piece of paper that he will not part with it until it falls due, which I do not think will be for another eighteen months or something like that. However, we are in this good position—and it is some consolation to think of it—that at the present moment Queensland has no floating debt except that £1,000 to which I have referred. All the rest of the debt that we have is funded. It is quite true that a part of that funded debt consists of the deficiencies of Treasurers for years back; and it ought never to be forgotten that portion of the funded debt—consisting, so far as I am aware, of about £1,500,000 of money—is a debt rather of honour on the part of the colony, which ought to be wiped off as soon as circumstances will allow. For that purpose there was established the public debt reduction fund, which devoted any surplus that the Treasurer could show towards the reduction

of the public debt. But it does not matter, so far as the debt is concerned, how it is reduced. It does not matter whether you pay off any particular Treasury bills or inscribed stock. So long as you get the debt down, it amounts to the same thing, and we were in hopes that by doing that we would eventually get rid of this debt of honour, and pay it off in the course of a moderate term of years. We were doing very well in that respect until the present calamity overtook us. I dare say that most hon. gentlemen have read the report of the Auditor-General upon that fund, which was circulated not very long ago. It contains the following statement:—

Since the inception of the public debt reduction fund, the trustees have received a total of £454,415 14s. Of this they have expended £445,246 12s. in the purchase of securities of a nominal value of £449,660, on which interest to the amount of £15,865 12s. was, or would have been, annually payable.

That is the result of the scheme in a very few years. What is our position now? Our position is simply this—that we have now got to issue a new set of Treasury bills, and that the whole of the savings of those five or six years are swept away. After issuing these Treasury bills we shall be pretty nearly, so far as I can calculate, in the same position that we were in before that fund was established. But the Treasurer is no worse in that position than many of our grazing farmers and pastoralists. They have been having savings for a certain period, and in the last two years the whole of their accumulated savings have been swept away.

HONOURABLE GENTLEMEN: Hear, hear!

The RIGHT HON. THE PRESIDENT: But that is all the worse for us, in this way—that it shows the sympathy that exists in these matters as between the Treasurer and the community. If the community are not doing well neither is the Treasurer. That follows, as the sun follows its course—as day follows night; and I only mention it to draw attention to the very serious position in which we are placed. At any rate, there is some consolation in this—that by issuing this £530,000 worth of Treasury bills we are no worse off as far as the public debt of the colony is concerned—the floating debt particularly—than we were in 1894. We are just going back to the same position. The Hon. Mr. Barlow has pointed out a rather serious error with regard to the amount of the Treasury bills. He points out that the Treasurer has expended—I hope the hon. gentleman will put me right if I do not state the case properly—has expended some £75,000, not on his own account, but on account of the Imperial Government, which amount the Imperial Government have to refund, and he argues that, in accordance with the Treasurer's arrangements, he has made provision by which that amount will be paid off twice over—first by cash received from the Imperial Government, and secondly by Treasury bills. That looks serious on the face of it. On the other hand, I cannot conceive that a Treasurer would attempt to mislead us in any way in that respect. Indeed, I am quite certain there is no attempt of that sort; and, as I pointed out before, although we authorise the Government to issue £530,000 worth of Treasury bills, it does not follow that the Government will issue that amount. They are authorised to issue up to that amount, but not exceeding that amount. They may issue any lesser amount, or they may not issue any at all. It is further worthy of consideration that if the figures presented by the Treasurer in his ways and means should turn out to be correct—which is almost impossible—then, instead of showing a surplus, as he does, of £20,000, or something like that, he would actually show a deficit of £50,000 odd.

Hon. A. H. BARLOW: And £20,000 that he erred in the Customs estimate.

The RIGHT HON. THE PRESIDENT: I have shown that this is counterbalanced by what I may call an error on the other side, allowing £50,000 for the Commonwealth expenses.

Hon. A. H. BARLOW: It will never be done for that.

The RIGHT HON. THE PRESIDENT: No man can say that. It is simply this: If the Treasurer requires £530,000 worth of Treasury bills to carry on the expenses of this year, it is just as well to give him them now as to give him them next year. And if he did show a deficit of £50,000, or whatever it might be, what could we have done instead? There are only two courses for us—either to increase the taxation of the people or to do as we are asked to do here, issue Treasury bills to make up the deficiency. Those are the only two courses open. I am absolutely certain myself that an attempt to put additional taxation on the colony at the present moment would be the worst policy that could possibly be adopted. (Hear, hear!) People are not in a position to pay it, for one thing. Another thing is that if we want to impose a system of taxation we do not want to impose it just for a few months or a year. We want to make it the settled policy of the colony for years to come. That we do in the interests of commerce, because there is nothing so detrimental in the interests of commerce as tinkering with the tariff every year—or the taxation I might say, because the tariff has gone out of our hands. Is it not better then, in all respects, for the Treasurer to do as he is now doing—to try and tide over the difficulties we are in at present, and wait for another year or so to see if he can form some specific idea as to how we stand, and how we are going to get along, and then adjust his taxation in accordance with our future prospects? At present we can form no prospects. We do not know where we are going to land; we do not know what will happen to us. We do not know what the future tariff will be. We ought to have had it, in my opinion, long ago, but we have not. We have hardly got a shadow of it yet, and we do not know when we shall get it. I think it would be most unwise to draw out and propose to Parliament any particular scheme of taxation of any sort, until we know what our position is and what it is likely to be. Now, as far as making provision for the Treasury bills we are now going to authorise to be issued, the Minister has informed us that some special means are to be submitted to bring money into the Treasury in order to meet those bills before they mature. According to the best traditions of Parliament, any means of legislation tending to that object ought to run concurrent to the Bill that is before us. We ought to know, when we are passing a Bill of this sort, what means are going to be adopted of meeting the bills when they mature. The Minister has intimated that there is going to be provision made by a Special Sales of Land Act. That ought to have been before us at the same time as this Bill, according to the best parliamentary practice. But, it not being before us, we are not able to say whether it is a good measure or whether it is not. We have to authorise the issue of these bills in good faith, trusting to the Government, and trusting to Parliament to make proper provision for them before they fall due. With regard to that I should like to remind the House, as I think I have done on previous occasions, that there is only one way of making provision for debts of this sort. All the special funds you can devise—sinking funds, trust funds, and everything else—are absolutely worth-

less. They never attain the object for which they are established unless they are founded upon one principle, and that is, that you can only pay debts of that sort by establishing a surplus in your consolidated revenue fund. What is the use of a trust fund or any sinking fund if the Treasurer comes down next year and discloses another deficit? A trust fund is only wasting money. You are trying to pay off one debt by creating another debt. You get no further forward. On the contrary, you are very apt to waste a lot of money in doing nothing. I think, therefore, that although special facilities given to the Government to sell land or anything else may be good in their way, the proceeds should go into the consolidated revenue straight away, there to remain until the Treasurer is able to show a surplus. If he could show a surplus of £60,000 a year for the next ten years he would wipe off these Treasury bills with the greatest of ease. But you can never wipe it off if the Treasurer is going to show a deficit. If he had one good year and, say, a surplus of £100,000, and next year he had a deficit of £50,000, anyone can see that he would only have £50,000, even if the £100,000 had been placed to a special fund. It may be locked up; it may be ear-marked; even so, you are no further forward than the net amount of the surplus that has been gained by the Treasury. Therefore I am not very much concerned as to the special means the Government are going to lay before us with regard to the provision to be made for these Treasury bills. As I have shown, if we take this £75,000 off the amount, you will get very nearly the amount already passed through the public debt reduction fund; and we arrive at the position we were in when that Act was passed in 1895. There are one or two other small matters to which the Hon. Mr. Barlow referred. With regard to his estimate of the amount of money expected from the sales of land and otherwise I find it very difficult to give an opinion. I am rather inclined to agree with the Hon. Mr. Barlow, whose opinion simply amounts to this, that the difficulty will be in finding buyers. I have no objection to selling the land. The difficulty will be to find people to invest their money in that way. It is a matter that has not been tried for some time lately. I know for a fact that many of our friends in London who have invested money in Queensland are very much in favour of converting their holdings, if they possibly can, into freeholds, for the simple reason that it gives them a much better security than they hold at present; but as far as the people now in the colony are concerned I do not think there will be much demand. I think the demand will come more from outside if it comes at all. I do not object to that. If we can bring money into the colony it will be so much the better for the colony. As to whether the anticipations of the Government will be realised or not I cannot say; I should not like to venture an opinion. All I can say is that the situation requires the very utmost caution, and that although the Government cannot force people to buy land any more than they can force them to travel on the railways, and so bring in revenue, yet they may, by means in their power, induce them to do so. By making the sale of the land attractive they may realise a very fair amount of money from that source. The Hon. Mr. Barlow also drew attention to one or two discrepancies in the account of the endowments to local authorities, as issued in the *Gazette* published at end of the financial year, about the 12th July, and in the Treasurer's tables. Of course, the Treasurer's tables, being of later date, are correct. That has been verified, since the Hon. Mr. Barlow spoke, by the Auditor-General's report, which

is in the hands of hon. gentlemen now. From it you will see that the total—both in the *Gazette* and in the Treasurer's tables—is correct, as far as the Auditor-General has reported. The errors that do appear in the *Gazette* are in the distribution of the accounts. That is, so far, satisfactory, as far as the errors are concerned. The amount paid for endowment, as represented in the *Gazette*, seems a good deal too small, and no doubt there has been a mistake made there. I can easily understand the mistake from my own experience in matters of that sort. The Under Secretary of the Treasury was acting as Auditor-General; the accountant was acting as Under Secretary; and junior clerks had to do the work formerly done by more experienced officers. It is a mere matter of posting to one account what ought to have been posted to another.

HON. A. H. BARLOW: I pointed out that the totals were the same. I referred to it as a piece of carelessness.

THE RIGHT HON. THE PRESIDENT: I think the Hon. Mr. Barlow is quite correct in pointing out these things, for although they do not affect the financial position in any way, they are useful in making the employees of the Government more careful in the future; there is no doubt it will teach them a lesson. But the circumstances of the case were peculiar, and I think we might very well overlook any little error of the sort which happened on that occasion. With regard to the matter of the printing to which the Hon. Mr. Barlow referred, I do not agree with him in the example he gave us, although I agree with him in the main question—that we are paying a great deal too much in the way of printing. I think we are wasting a good deal of money in that respect, but I would not take as an example of that the two little papers by Dr. Roth, which are of a scientific nature. It is very little that this colony does in the way of spreading information of a scientific nature useful to the whole of mankind. If the Hon. Mr. Barlow had looked a little nearer home he would have seen the amount of papers that this House is deluged with. We must always recollect that the Government Printer occupies a dual position. He is a civil servant, and he is also a parliamentary officer. As a civil servant, the Government can deal with him, but when Parliament orders papers to be printed, he must print them.

[4:30 p.m.] We are responsible for all the expense that occurs in connection with those papers. We might dispense with the printing of a great deal. Both Houses of Parliament might dispense with the printing of a great many papers. They might lie on the table for anyone who takes a particular interest in them, but I do not see, and I never have seen, the absolute necessity for printing such an immense mass of papers as we now do.

HONOURABLE GENTLEMEN: Hear, hear!

THE RIGHT HON. THE PRESIDENT: Possibly there might be some retrenchment in that respect. I am pleased to see the interest taken in the financial position by the members of the Council, and I hope that this is only the commencement of the time when hon. members will devote their attention to these affairs, seeing that there are many hon. gentlemen in this House who are much more competent and capable of criticising the Treasurer's Statement than you will find elsewhere.

HONOURABLE GENTLEMEN: Hear, hear!

HON. A. J. THYNNE: The question that has been raised on this Bill is mainly one as to whether this House ought to go in for a general discussion of the Financial Statement. I think that no one in the Council will disagree with the policy of the Government in dealing with the

deficit by means of the issue of Treasury bills. I think that that is accepted as being a wise course for the Government to follow. But with regard to the other portion of the very interesting address we have heard from the President, when he dealt with some objection which I understand was taken to the Hon. Mr. Barlow's initiating a discussion on the Treasurer's Statement, there can be no question that this House can discuss any subject of that kind, and has done so before in various forms. There is nothing to prevent this House discussing any question affecting the welfare of this colony. The difficulty I see in the way of dealing effectively with the Treasurer's Statement is that we shall be dealing with a speech delivered in another House—not a document put before us for consideration as a document, but simply as a report of what has been said in some other place. I do not know how the Hon. Mr. Barlow will get over that.

HON. A. H. BARLOW: I am going to do it every time till I am ruled out of order.

HON. A. J. THYNNE: I have no objection to the hon. gentleman doing it, only I want to see the President set the example. I shall not be the one to take exception to the hon. gentleman doing it, but let us understand that we are not infringing our Standing Orders, or else devise some means by which these things are brought before us in a formal way and it is made a part of our duty to deal with them. With no disrespect to the President, I think that once or twice he was sailing very near to the Standing Orders when he was referring to the Financial Statement and to what the Treasurer said in another place, and I shall be very pleased to see the difficulty in that respect removed. I forget whether it was not decided some time ago that the Estimates of Ways and Means should be laid upon the table of this House as part of the proceedings of the Council. A discussion was raised a few years ago, and I really cannot recall what the conclusion was; but until we have the Financial Statement and its tables and the Estimates of Ways and Means put formally on the table of this House, I fancy that we shall have a difficulty in effectively discussing these questions.

HON. A. NORTON: The Minister himself referred to the Financial Statement.

HON. A. H. BARLOW: I will move that it be laid on the table next year.

HON. A. J. THYNNE: If the discussion this year has no better result than to secure a proper history and statement of the financial position of the colony, such as we have heard from the President to-day, it will have done good work.

HONOURABLE GENTLEMEN: Hear, hear!

HON. A. J. THYNNE: I do hope that the right hon. gentleman and the Hon. Mr. Barlow—and I can say from experience that when those two gentlemen work together on a Financial Statement it will be very hard to find fault with it afterwards—I speak from the experience of many years as their colleague in the Ministry when I say that, between them, they are as capable of criticising and examining a statement of the financial position of this colony as any two men in it—and I hope that the opportunity will be given to us regularly each year of having a discussion of this kind. I would suggest to the President that he consider in what way most effectively the foundation may be laid for such a debate.

HON. A. H. BARLOW: Hear, hear!

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

COMMITTEE.

Clause 1—"Short title"—put and passed.

On clause 2—"Treasury Bills may be issued for £530,000"—

HON. A. H. BARLOW said that he had not asked the indulgence of the House to review, or say anything in supplementation of the President's remarks, but the hon. gentleman's arguments amounted to this—that no Treasurer's Statement could be criticised, because it was impossible to make it one that could be relied upon. It was his misfortune that he was not in accord with the Government on three great points of their policy, to which it was not necessary to refer to then, and he did not wish to give any annoyance or trouble; but if the representative of the Government in the Council would admit that there was an error of £20,000 in the estimates of the Customs revenue, there was an end of the matter. He could only sympathise with the hon. gentleman that the Treasurer was misled by an error of that kind. The points that he took in dealing with the Financial Statement were that the estimates of expenditure were insufficient, that the sum of £75,000 was taken into the account, which had no business to be taken in, and that there was an error of £20,000 in the Customs revenue. He also said that, as the income tax must certainly come, the Treasurer should have provided the machinery for levying that tax. The President had not referred to the suspension of the Audit Act Amendment Act of 1894, and until that Act was suspended whatever surpluses they had must go in reduction of the permanent debenture debt. They could not use them to pay off deficits as the hon. gentleman proposed. He thought it was the function of the Council to criticise the Financial Statement, and, as he had interjected, next year, if he was there, he intended to move that a copy of that document be laid on the table of the House, so that it could be criticised.

HONOURABLE GENTLEMEN: Hear, hear!

HON. A. H. BARLOW: He retreated from nothing that he had said. He still thought that the estimates of expenditure were insufficient, and that the estimates of revenue were overrated. Even with the introduction of foreign capital, he did not think it was possible to bring the land revenue up to the point that the hon. gentleman referred to, and the Land Bill he was not permitted to refer to. He had no wish to annoy or vex the hon. gentleman opposite. He wanted to assist him in the position he occupied, and in which he had to grasp the whole policy of the Government—and it was a very difficult thing to bring all the measures of the Government up to this House, and to discuss them. The hon. gentleman had to do in his own single person what there were seven Ministers to do in the other House, and, therefore, so far from obstructing him, he would like to assist him, and, if the hon. gentleman would admit that there was an error of £20,000 in the Customs revenue, nothing more need be said about it. He was sure that when his name was recommended for appointment to that House, or the name of any other gentleman, it was not intended that they should be dummies. It was not intended that they should be silent, or that they should cry "content" to everything that was put before them; and so long as he was there he was entitled to take an intelligent interest in the affairs of the colony. If the hon. gentleman was going to address them on that occasion, he would ask him, specifically, whether there was an error in the quotation of the Customs revenue which he pointed out, as between £1,504,000 and £1,524,000? If he admitted that there was an error, they could only sympathise

with him in the fact that the Treasurer had been misled. If the hon. gentleman did not like to deal with the subject, he would put a question on the paper in order that he might reply to it to-morrow or next week, whichever the hon. gentleman preferred.

The SECRETARY FOR PUBLIC INSTRUCTION was very pleased indeed that the Hon. Mr. Barlow had favoured the Council and the country with the criticism that he had directed to the Financial Statement. He thought it could result in nothing but good. He had no objection whatever to the hon. gentleman dealing so exhaustively with the subject, because he believed it was the duty of the hon. gentleman to do so, and that it was the duty of the Council to consider all matters that affected the interests of the country financially. For his own part—and he believed he was speaking on behalf of the Government—they rather appreciated the action of the hon. gentleman. With regard to what the hon. gentleman said about an admission that there was a sum of £20,000 in error, he was not at the present moment prepared to make any such admission, but, as the hon. gentleman said that he would ask a question on the subject, some light might be thrown on the point to-morrow.

HON. A. H. BARLOW: I prefer to ask it next week to leave time for investigation.

Clause put and passed.

The remaining clauses were put and passed.

The Council resumed; the CHAIRMAN reported the Bill without amendment. The report was adopted, and the third reading was made an Order of the Day for to-morrow.

MINING ACT AMENDMENT BILL.

SECOND READING.

The SECRETARY FOR PUBLIC INSTRUCTION: This Bill seeks to amend the Mining Act of 1898 in two or three different directions. It has been found on some of the principal goldfields that there are certain difficulties in the principal Act which ought to be avoided. There are mineowners who own different leases, some of which are separated from each other by streets and freehold properties. One object of this Bill is to enable such leaseholders to connect their mines by drives. It is the opinion of those best qualified to judge that that cannot be done under the existing Act, and that any attempt to do so would only lead to a lot of litigation. This Bill contains a clearer definition of the term "drive." Clause 2 defines it as follows:—

"Drive"—Any passage in a mine in any direction or at any angle whatsoever, other than a shaft as hereinafter defined: Provided that, for the purposes of section sixty-two of this Act, the term may, if necessary, include any extension or continuation of any shaft.

That is to say that any shaft or drive, at any angle, will be considered a drive under the meaning of the Act, and will enable the owners of separate leases to mine under roads and freeholds to connect their properties. The other feature of the Bill is to enable the owners of mines to construct tramways to connect their properties for the better working of the same. It gives them the right to occupy a space 15 feet in width, and it also gives to miners the right to mine under such tramway and on the surface up to 5 feet of the 15-foot track. The need to construct tramways has been proved to be a very great one on the mines. The Bill also does away with the labour conditions required under the Mining Act for the holding of such leases as this. It would be absurd to impose labour conditions on a strip of land which is used

solely for tramway purposes. The Bill, which will enable mineowners in certain cases to extend their operations without fear of litigation, has been fairly well discussed by practical men in the other Chamber, and I think we may look upon it as a fairly accurate and correct measure now. I am pleased to find that we have in this Chamber several hon. gentlemen who are highly competent to speak on our mining laws, and that we shall have the benefit of their criticism on this Bill. I move that the Bill be now read a second time.

* HON. A. J. THYNNE: There is only one portion of this Bill to which I propose to refer, and I do so for the purpose of intimating to the leader of the House that the last portion of clause 7 should be seriously considered in committee. I can hardly grasp the meaning of it as it stands. It provides that—

Nothing in this Act shall confer on any holder of a tramway lease the rights or privileges of a common carrier, or shall exempt any holder of such lease from any of the provisions, other than those specified, of present or any subsequent Mining or Railway Acts.

I understand that the intention with which that provision was introduced was to prevent the owner of a tramway from carrying goods or passengers in the ordinary way. If that is so, a more retrograde or obstructive proposition was never introduced into Parliament. That there should be the means of carrying at little expense, on a tramway, goods from a centre to the neighbourhood where men are working, no matter how great or how short the distance may be, and to affirm by legislative enactment that those facilities for the carriage of goods for the supply of people in that way shall not be used seems to me a most absurd proposition. I doubt whether even the clause would carry out that intention, for I do not know that it requires an Act of Parliament to confer the rights or privileges of a common carrier on anybody. In any case, that portion of the clause seems to me to be an incongruity, and ought to be reconsidered. Any individual or company who carries goods for the public in the ordinary way is a common carrier without the intervention of any special legislation. The second part of the clause is rather strange in its wording. It seems to me as if it is a provision by which a door is left open for legislating out of existence the people who undertake mining along the line of these tramways. Whatever the origin and object of the clause, it appears to me so retrograde and absurd that it should not be allowed to remain in the Bill, and in committee it will be necessary to deal in some way with it. My own view of the matter is that goods should be allowed to be carried on the tramways, but that there should be some control over them, so that the rates charged shall only be such as are approved by the Secretary for Mines. We could then rely that the rates would not be excessive. As the clause stands it would give rise to one of the most objectionable forms of monopoly in mining districts that it is possible to conceive. A tramway might be 10, 20, or 30 miles in length, and the company would not be allowed to carry for the storekeepers or hotel-keepers established in the district. The company would monopolise everything. They could crush out every competing storekeeper or business man in the locality, and make the mining community, or every consumer, if they were disposed to, pay heavily for the privilege of living in the district. A provision that would create such a state of affairs would be most objectionable in any mining district, and I trust that before our next sitting the hon. gentleman in charge of the measure will have given some consideration to the matter. With that exception I see very little to object to in the Bill as a whole.

* HON. F. I. POWER: I go further than the hon. gentleman who has just sat down. I consider that there is a great deal of objection to be taken to several of the provisions of the Bill from a practical point of view. Personally, I do not think there was any necessity for some of the clauses. At the same time, if there is any doubt as to the interpretation of the meaning of the Act of 1898 with respect to wayleaves it is as well that those doubts should be removed. To that part of the Bill there can be no objection. The principal matter which commends itself to our consideration is that of the tramways. That is a most important matter as affecting the future prosperity of the mining industry. Provision is made that leases may be taken up for the purpose of running tramways. Instead of the question of the width of those tramways being left as a matter of discretion in the hands of the Minister to be dealt with by regulation, I would very much prefer to see a fixed width; and instead of allowing miners to go on any portion of the lease, I would prefer to see them excluded altogether. The Bill provides that a miner may go upon the land leased for a tramway for certain purposes. There is an attempt made to restrict the distance within which he shall come to the tramway; but I do not think that is sufficient as it stands. Of course that is a matter that may be dealt with in committee. I mention it now to give the Minister an idea of the lines on which I think it should be carried out. Say he has a distance of 15 feet. The miner can come within 5 feet of his tramline. That gives him absolutely 15 feet, assuming that he put his tramline in the centre of his lease. But supposing for the sake of argument—and I can quite understand that such circumstances may exist—a man required a double line. That would mean that if he put his first line on the inner edge of the route, the miner could come within 5 feet of that, so that instead of getting 15 feet, he would only get 10 feet. The Bill also provides that any miner who carries on operations on the surface of the land for which the lease is granted has to pay compensation for the improvements he may destroy. I look upon that as absolutely valueless from a practical point of view. Indeed, I should prefer to see the whole of those subclauses from the word "as" in line 6 to the end of sub-clause 7 swept away. If I have improvements on my land, and the miner is allowed, under ordinary circumstances, to mine on that land on payment of compensation, if the improvements are defined, such as a building or other things that can have their value assessed, and be paid for straight away, it is only reasonable that he should get the land on paying the compensation. But I cannot conceive how, without absolutely destroying the whole of a tramway, a miner can take a claim and pay compensation for improvements which may consist of a couple of lines. He destroys the tramway at once. Something will have to be done to guard it in that direction. There is another thing that strikes me as worthy of consideration. I look upon this Bill, as I said before, as a most valuable measure to assist the mining industry. It will be the means of introducing an enormous amount of capital. I believe the lines constructed, if the Bill becomes law, will run into thousands and thousands of pounds. It occurs to me that while provision is made whereby a lease can be granted in length, I should like to see the width fixed definitely, so that people outside the colony, who do not know exactly what regulations may be made, may be able to see exactly what they were entitled to. And, as I also said, I would not allow any miner to go on that area at all. It would not be a hardship because he could always sink his shafts outside, and he

would not injure the man who had spent his money in the construction of the tramway. It also strikes me—I do not know whether I am right or not—that the Bill, while giving a man a complete line of tramway as long as he is upon Crownland, makes no provision for going through freehold property. Supposing, for the sake of argument, a man applied for 60 or 70 miles of tramway, that the first 40 miles was through Crown land, and that then there was a stretch of 8 or 10 miles before he got to Crown land again, there is no provision giving him the right of crossing that freehold. It seems to me that some provision should be made so that he might carry his tramway across any class of land he comes in contact with, otherwise the whole Bill may be rendered valueless.

HON. B. D. MOREHEAD: He might want to go through a town.

HON. F. I. POWER: He might, and I do not believe anybody would object. A provision might be made for carrying his tramway line over any class of land he might come across.

HON. B. D. MOREHEAD: The right of entry.

HON. F. I. POWER: Yes, for his tramline. Perhaps I am going a little too far, but this should apply to freehold, because the Government have ample power to permit a tramway being taken across anything in the nature of a mining tenure. That is done in all the colonies, but I do not know whether this would give a man the right to cross public roads or over freehold properties. If that is not so, then it ought to be amended so as to make it complete, because you can easily understand a tramway running up to a freehold property. With reference to subsection 7 of clause 7, if it really means, as was suggested by the last speaker, that a tramway cannot carry for the general public, then it is about as mischievous a piece of legislation as one can well conceive. It seems to me a meaningless sort of provision, because the privileges of a common carrier are indefinable. His responsibilities and his obligations are very great, and I do not think, reading the subsection the way it is worded now, that it would prevent a man from carrying for the general public. But it is a matter of such great importance that all doubt on the point should be put an end to. I can speak with some experience on this subject, particularly with regard to tramways, and it occurs to me that, instead of encouraging prospecting in a district where such a tramway exists, it will retard the progress of that district and take away all inducements to prospect. I think that hon. gentlemen will agree with me that not only in this State, but in the other States as well, the prospector has been of immense value in his time.

HONOURABLE GENTLEMEN: Hear, hear!

HON. F. I. POWER: And I have no doubt that, with the enormous range that there is for prospecting in this State, he will yet be of great service to this State. But the effect of this subsection will be that he will be debarred from prospecting anywhere within a reasonable distance of a tramline, because, if he made a discovery of any value, the owners of the tramline being forbidden to carry his produce, or even to carry rations for him, nobody would be in a better position to starve him out than the owners of the tramline, so that instead of this clause being a protection for the working miner, it will be about as good an example of a tyranny over him as one could well imagine. Another thing occurs to me. Supposing a mineowner constructs a tramline either to the railway, or to water, or to smelting works, or wherever it may be. Through circumstances over which he has no control, he finds that he is not able to do more than keep half his smelting-works or his batteries going. If it is impossible under this

provision for him to carry for other people—I do not think it is myself—he is forbidden to keep the other half of his plant going by carrying stone for the public to be treated.

HON. F. T. BRENTNALL: He can carry without charging.

HON. F. I. POWER: I do not think it means that, but if it means that, he can carry, as the hon. gentleman says, without charging. He can get over it in this way: If his charge for crushing is 10s. a ton, he can make it 15s.—that is, 5s. for carrying and the other 10s. for the treatment. But that is inviting people to do by subterfuge what they should have the right to do without any subterfuge. It would be better, in the interests of the industry, if it was a condition of the grant that they could carry necessities for the public at fair rates to be fixed in some proper manner. I have no doubt that if people construct tramways under this Bill they will deal with the matter in a businesslike manner, and that they will be prepared to carry at reasonable rates, and rates that will pay them. Another phase for consideration is this: that it is well known to every man who understands anything about scientific mining that the larger your works the cost is proportionately decreased. Supposing, for the sake of argument, that a man with 100 head of stampers is treating his own ore. By being allowed to convey to his mill the ore from other people's mines he would probably be able to increase his appliances so as to double the quantity. In other words, instead of running 100 head he could run 200 head. That would reduce the cost of his own crushing, and it would also reduce the cost of crushing to those who fed his mill, so that it would be a great advantage to both parties. If this clause is meant to give speculators a monopoly, then it carries out its object excellently, if it means what it is said to mean. It amounts to this, that I have a perfect right to carry for the public along a road by means of horse teams; but the moment I put down two rails, and pull the same wagons with different wheels, with the same horses—assuming that it is a horse-tram—I am at once debarred from carrying for other people. Well, I cannot conceive anything more absurd, and I sincerely hope that, before the Bill leaves this Chamber, some amendment will be made in that subsection. I do not think I can assist hon. gentlemen any further, as no other suggestions occur to me; but I may mention the case of one company, who, being unable to keep the full works going, and who were reduced, on account of the poverty of the stone, to get neighbours to send their stone, which was conveyed by their tramline. Now, if this subsection means what it is said to mean, then that company would have to leave half its mill idle, because it would not be able to take any of the stone belonging to other people on its tramline. I can also see that it means an enormous monopoly in the supply of stores. I do not see how any man with teams can compete with the man who has a tramway. Although I heartily approve of the spirit of the Bill, and although I believe it is a most important thing for the mining industry, still, for the reasons I have given, I trust we will leave no stone unturned to alter this one provision in the Bill if it means what has been stated.

HON. J. ARCHIBALD: It is not my intention to make any lengthy remarks on the occasion of the second reading of the Bill, but as I have always taken a deep interest in the development of the mining resources of this colony I cannot allow the opportunity to pass without making one or two remarks. I should have very much liked to see the Government bring in a much more comprehensive measure. Since the Mining Act of 1898 was passed a large number of defects

have been discovered. That is not to be wondered at, considering the very hurried manner in which the Bill was passed through both Houses of Parliament. I believe the Government are fully sensible to the fact that such defects exist, but I believe that at the tail end of a Parliament they consider it undesirable to bring in a comprehensive measure. I understand that this Bill is introduced very largely to provide for a set of circumstances that exist on one of the most important goldfields in Queensland—namely, Charters Towers. I did think that the Mining Act of 1898 contained a sufficiently comprehensive definition of the word “drive,” and some solicitors believe that it is sufficiently comprehensive to answer all purposes for allowing miners to drive through any particular freehold under any street or through any freehold to any mine on the other side of them; but I believe that the mining solicitor of the Government thinks it is desirable to put an end to all doubts that may exist upon the point. I believe that the definition of “drive” in this Bill is intended to meet a very important case that has arisen on Charters Towers. I refer to the mine known as the Day Dawn Consolidated, owned by a gentleman who has spent a very large sum of money in the development of that important goldfield. He has quite a number of leases on Charters Towers, and he finds a difficulty in getting from one part of the ground to another through or under the streets that exist between his leases. He has been threatened that, if he proceeds to carry certain drives from one part of his ground to another under a street, an action at law will be instituted; and I believe he brought influence to bear upon the Government with a view to having the matter set at rest. I think the definition herein contained is amply comprehensive, and will meet the necessitous circumstances of the case. I would like to make one or two remarks with reference to clause 6. On Charters Towers—I am not sure whether it applies also to Gympie and Croydon—there are quite a number of leases owned by the same person, or persons, or company; but they are not contiguous, and the difficulty is working those leases which do not adjoin. Clause 6 will enable the holders of those leases to connect them, so long as the necessary aggregate number of men to comply with the labour conditions are employed. But I think the most important portion of the Bill is that which deals with tramways. Under the Mining Act provision is made for the construction of tramways by mineowners, so long as the tramways are for mining purposes, and mining leases for tramways may be granted. Under this Bill it is intended that the land held for tramway purposes may be mined under. I agree with the last speaker that no portion of the surface of the land granted for tramway purposes should be encroached upon. As development proceeds, two lines may be required, and it would be a simple matter for a miner—who might be a very objectionable individual—to come along and peg off a portion of the tramway, and say, “I am going to sink a shaft here.” Practically, the whole business of the tramway would be defeated, and, perhaps, the work stopped. I certainly think the narrow strip of land should be completely reserved. If a man wants to mine under that reserve, it is a simple matter to apply to the Department of Mines for power to mine under the tramway, but no one should be allowed to break the surface and make it possible to stop the tramway being run. But, to my mind, the greatest objection in connection with the tramways is contained in the 7th subsection of clause 7, to which reference has been made. That provision is entirely unnecessary,

and is exceedingly objectionable. Imagine Gympie and Charters Towers, two of the mining centres in this colony, when they were not connected by rail with the seaboard, and when perhaps there lived in those centres 10,000 or 15,000 people. Suppose that some mineowner in Gympie applied to the gold warden for authority to construct a tramway to Maryborough, and this objectionable clause existed, depriving him of the privilege of becoming a common carrier. He would simply bring up all the goods from Maryborough to Gympie for the whole of the 10,000 or 15,000 people who were living upon the mining industry on that field, and he would establish stores along the line, so that he would have the greatest possible monopoly. Nobody could exist in the place except the owners of the tramline. I certainly think that this feature of the Bill should be amended or entirely omitted. I believe that the person who gets a tramway lease under the present Mining Act has a perfect right to carry for the public along that tramway, and to make a charge. If anyone wants to carry goods to-day from one portion of the colony to another all that he needs to do is to go to the police office and pay 2s. 6d., and take out a carrier's license. I believe that is all that the owners of a tramway need do, and that no clerk of petty sessions or police magistrate could resist the granting of a carrier's license, because there are no conditions imposed in connection with the granting of such a license. I hope that in committee hon. members will do what they can to assist the Hon. Mr. Thynne and the Hon. Mr. Power to amend the Bill in the direction indicated. The other provisions are necessary, and I am sure they will afford the necessary relief of that important goldfield, the principal mineowners of which have sought for the passage of the provisions now proposed by the Bill.

Question put and passed.

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

ABORIGINALS PROTECTION AND RESTRICTION OF THE SALE OF OPIUM BILL.

FIRST READING.

On the motion of the SECRETARY FOR PUBLIC INSTRUCTION, this Bill, received by message from the Legislative Assembly, was read a first time, and its second reading made an Order of the Day for to-morrow.

ADJOURNMENT.

The SECRETARY FOR PUBLIC INSTRUCTION: I move that the Council do now adjourn. The business for to-morrow will be the second reading of the Agricultural Lands Purchase Acts Amendment Bill.

Question put and passed.

The Council adjourned at twenty-eight minutes to 6 o'clock.