Queensland

Parliamentary Debates
[Hansard]

Legislative Assembly

TUESDAY, 21 NOVEMBER 1916

LEGISLATIVE ASSEMBLY.

TUESDAY, 21 NOVEMBER, 1916.

The SPEAKER (Hon. W. McCormack, *Cairns*) took the chair at half-past 3 o'clock.

PAPER.

The following paper, laid on the table, was ordered to be printed:—

Annual report of the Department of Agriculture and Stock for the year 1915-16.

QUESTIONS.

ACQUISITION OF SUGAR CROP.

Mr. PETRIE (*Toombul*), in the absence of Mr. Booker, asked the Chief Secretary—

"1. Is there any formal agreement in existence between this State and the Commonwealth in connection with the sale and purchase of the raw sugar produced in Queensland either last year or this year?

"2. If there is, will he be good enough to table a copy of it?

"3. If there is no formal agreement, will he inform the House of the precise nature of the arrangement which has been made, and the form it has taken?"

The PREMIER (Hon. T. J. Ryan, *Barcoo*) replied—

"1, 2, and 3. A signed agreement was entered into with respect to the 1915 crop. A copy of this document was laid on the table of this House on the 29th July, 1915. At the written request of the sugar producers and manufacturers of Queensland, an agreement was entered into with the Commonwealth in respect of the 1916 crop, on conditions similar to those obtaining in regard to the 1915 crop, except that the Commonwealth also agreed to pay £1,000 per annum for two years towards the cost of an entomologist. No formal document was signed in respect of the 1916 crop, but the agreement was made by telegraphic communication. For the convenience of the honourable member, I beg to lay on the table of the House a copy of the agreement in respect to the 1915 crop, and also copies of letters, dated 21st October, 1915, and 27th October, 1915; the first signed by certain gentlemen as representatives of the sugar producers of Queensland, and the second from the Honourable Angus Gibson, M.L.C., as representing the Bundaberg Manufacturers' Association, in respect of the 1916 arrangement. Copies of these letters also appeared in 'Hansard,' 1915-1916, volume cxxii., page 2322."

TORRES STRAIT PILOTS.

Mr. H. J. RYAN (*Cook*) asked the Treasurer—

"1. What amounts for services rendered were received by the secretaries of the Torres Strait pilot service from the gross earnings of pilots for the years ended respectively—(*a*) 30th June, 1915; (*b*) 30th June, 1916?

"2. On what percentage basis were the secretaries mentioned paid?"

The TREASURER (Hon. E. G. Theodore, *Chillagoe*) replied—

"1. As the secretaries of the Torres Strait pilot service are not public servants no official information on this matter is

available. The secretaries have, however, supplied the following particulars:—'Gross amount received from work done by pilots for the year June, 1914, to June, 1915, £874 14s. This includes transport work inside and outside the route. All fees earned on transports in island ports and piloting in and out of Port Moresby were retained by the pilots in full. For the year June, 1915, to June, 1916, the sum of £660 6s. 6d. was received, nothing having been deducted for rent, staff, or running expenses.'

"2. The secretaries receive 7½ per cent. of the pilotage paid."

FEES IN "EASTERN" CASE APPEALS.

Mr. VOWLES (*Dalby*) asked the Assistant Minister for Justice—

"1. What fee or fees was or were marked on the Attorney-General's brief or briefs in connection with the recent appeals to the Privy Council in the 'Eastern' cases?

"2. What amount has been paid to him in respect of—(a) fees on such brief or briefs; (b) otherwise in connection with such cases other than the fees set out in the return tabled since the 1st January, 1916?"

HON. J. A. FIHELLY (*Paddington*) replied—

"1. The fees were not formally marked on brief."

"2. A sum of £426 6s. 6d. has been received by the Attorney-General. Any payment of fees will be subject to the approval of the Taxing Master of the Supreme Court."

RISE IN PRICE OF RAW SUGAR.

Mr. SWAYNE (*Mirani*) asked the Chief Secretary—

"1. Will the canegrowers or millers of raw sugar share the rise in its price from £18 to £22 per ton that has just taken place?

"2. If so, to what extent?

"3. If not, who will receive the additional £4?"

The PREMIER replied—

"1, 2, and 3. The matters referred to are under the jurisdiction of the Commonwealth Government. If the honourable member will put his inquiry before me in writing, I shall immediately bring same before the Commonwealth Government."

STEAMER TO THE GULF.

Mr. MURPHY (*Burke*) asked the Chief Secretary, without notice—

"Seeing that Gulf residents are isolated, there being only a steamer to Normanton and Burketown once in three weeks, will he try to secure a permit for the coaling of the steamer 'Musgrave' in order that the vessel may again leave this week for the far Northern ports?"

The PREMIER replied—

"I will inquire into the matter."

INSURANCE BILL.

THIRD READING.

On the motion of HON. J. A. FIHELLY, this Bill, read a third time, was ordered to be transmitted to the Legislative Council for their concurrence by message in the usual form.

INCOME TAX ACT AMENDMENT BILL.

SECOND READING.

The TREASURER: In moving the second reading of the Income Tax Act Amendment Bill, I do not think it is necessary to traverse the whole of the new provisions in detail. They have been fully discussed while the resolutions were in Committee of Ways and Means. It will be noted that the Bill follows the resolutions. In regard to the adjustments in the ordinary tax, provision has been made in the several schedules for additional resting-places. This will have the effect, while still retaining the equitable system of progressiveness in the application of the tax, of raising additional revenue. In the personal exertion schedule, two new resting-places are introduced. Where the income exceeds £4,500 and does not exceed £6,000, the tax will be at the rate of 21d., and where it exceeds £6,000 it will be 24d. on each and every £1. A similar provision is made for additional resting-places in regard to income derived from property and the incomes of all absentees, and will have the effect of bringing in additional revenue without in any way imposing hardship upon anyone. In respect of the last two schedules, those dealing with the income from property and the income of absentees, the highest rate is 27d. in the £1. These alterations in the schedules will apply for this calendar year, 1916, so that this amendment will, to that extent, have a retrospective operation. An alteration has been made in respect of the second resolution, dealing with the position of foreign companies. There is some ambiguity existing under the present law regarding what rate of income tax these companies are liable to pay, but it is all made perfectly clear in this measure. It has been said that there is some difference of opinion between the representatives of foreign companies and the Commissioner of Taxes in respect to what rate of tax the companies in question should come under. With regard to these companies, they contend that capital refers to the total capital of the company and not only to the capital invested in Queensland. They further contend that income earned in Queensland should be compared with capital wherever employed, and the percentage of profits calculated in that manner. The Commissioner contends that the income earned in Queensland by such companies should be compared with the amount of capital employed in Queensland and the profits calculated accordingly. There are some foreign companies, too, who have no capital in the ordinary meaning of the term. Such companies are endeavouring to avoid paying the income tax or are claiming that they are liable to the lowest rate; the Commissioner, however, contends that these companies should pay the higher rate. In order to make it perfectly clear it is proposed to make a flat rate of 1s. 6d. in the £1 for foreign companies. With regard to insurance companies there has been no means in the past of calculating the rate of profit, but it will be stipulated that in their case there shall be a flat rate of 1s. 6d. in the £1. With regard to foreign mercantile companies, it is provided under subsection (5) of section 7 of the existing Act that they shall be taxed at the rate of 1s. in the £1, rising up to 1s. 6d. where the profits reach 18 per cent. of the capital. In some of these companies the profits have to be calculated on

the capital, but as some of the companies have no capital the Commissioner was in a dilemma as to what rate they should come under. It is, therefore, necessary to provide for them a flat rate as contained in this Bill. This was the resolution agreed to by the Committee of Ways and Means. Subclause (7) of clause 2 makes it clear that these amendments may be taken as a declaration of the law on the subject, so that if there is any doubt existing at present that doubt will be removed by this Bill. The Bill also provides for the imposition of a supertax, which is to have limited operation. As stated in the resolution, it will apply for the year 1916, and for every year thereafter during the present war, including the year in which peace is declared. The supertax provides for the imposition of a tax of 20 per cent. on the ordinary income tax. If you take the case of personal exertion, the increased rate of tax increases from 1½d. in the £1 up to 5d., according to the amount of income. In regard to income derived from property, the increase on the lowest rate of the schedule works out at 2 2/5d., and on the highest rate at 5 2/5d. With regard to the profits of companies, the supertax will retain the graduated character of the ordinary tax—that is, the tax will apply lightest where the incomes are smallest. Provision is also made in the Bill to deal with the situation arising out of the clauses dealing with the deductions in the principal Act. A deduction is allowed for interest actually paid for money borrowed. Provided that, where such interest is payable to a person residing beyond Queensland, the person paying the same shall be deemed to be the agent of the person entitled to receive the money, and he shall pay income tax on such money at the rate of £7 10s. per cent. Previously, the rate payable was £5 per cent. The increase corresponds with the increased rate of taxation generally. Provision is also made for the deduction of £20 in respect of each child under seventeen years of age. Hitherto £15 was allowed for each child. Provision is also made for deductions from taxable income of all contributions to the repatriation fund and patriotic funds, the donation being not less than £5.

Mr. MORGAN: Must it be £5 for each fund, or in the aggregate?

The TREASURER: I take it that the Commissioner will allow deductions on £5 if it is paid in any one year.

Mr. MORGAN: If it is made to several patriotic funds?

The TREASURER: Yes, I think so. I do not think it matters whether the money has been paid to one fund or several funds.

Hon. J. TOLMIE: It is handier to pay the additional 2s. 6d. without going to the trouble——

The TREASURER: What trouble?

Hon. J. TOLMIE: The trouble of getting receipts.

The TREASURER: I do not think the Commissioner is going to call for a receipt every time. If it appears to him that anyone is evading the income tax—where there is some doubt—he might call for the production of receipts. In the Commonwealth income tax the Commonwealth Commissioner makes provision for the same thing. Whatever practice has been followed by the Commonwealth Commissioner will be adopted by the Queensland Commissioner wherever it has been found to be workable. I do not think it is necessary for me to go any further in placing the second reading before the House. I move —That the Bill be now read a second time.

HON. J. TOLMIE (*Toowoomba*): This is a most unfortunate Government. It came into existence with the Treasury practically overflowing with a surplus of a quarter of a million, and in less than twelve months they find themselves as poor as Lazarus.

The TREASURER: When we came in there was a surplus of £3,000, and at the end of twelve months, there was a surplus of £34,000.

HON. J. TOLMIE: This is a measure for heaping additional burdens on the people of the State. When this measure was being introduced, I asked the Chief Secretary if this Bill meant additional taxation. He said "Yes," but immediately corrected himself and replied that it was going to correct anomalies and that there would be no additional taxation. I gathered that that was the impression, and I made inquiries. Now we have the Treasurer coming down this afternoon and saying that he hopes to get additional revenue from this measure. I suppose that the circumstances of the State are such that it is necessary that additional revenue should be raised, because we cannot as a State, fail to meet our obligations, whatever we may do as private individuals. We cannot, however, let it go forth to the world that Queensland is in such an unfortunate position that she cannot pay her way. The State is in a sorry position when the Government has to do this.

The TREASURER: You are making damaging statements.

HON. J. TOLMIE: There can be nothing damaging in allowing the people of Queensland to know the true position of affairs.

The TREASURER: That is a false position.

HON. J. TOLMIE: We know that the Auditor-General rooted the hon. gentleman out of his hole to show that he placed a false position before the country in his Financial Statement. By the reckless extravagance of the Government in their administration of the various departments they are reduced to the position that they have to place additional burdens upon the people of the State. They cannot justify the position they occupy in regard to this measure or in regard to any other taxing measure in any way whatsoever.

Mr. BERTRAM: Every other Government is doing likewise.

HON. J. TOLMIE: The Commonwealth Government are levying additional taxation because they have the burdens of war upon their shoulders, but this State has no such burdens upon its shoulders beyond a trifling amount allowed to soldiers and the Red Cross movements in connection with the carriage of goods. It is not really a rebate, because the State has to pay nothing additional. It is just allowing the occupation of the State's conveniences. That is the only burden placed upon Queensland in regard to this war. Otherwise, if the conditions had been normal as they have been in other years, and if the Government had proceeded on lines of careful administration, they would not be in the position in which they now find themselves. Practically every measure introduced into this House by the present Government has provided a means for collecting a little revenue. It may be by way of fines or by way of licenses fees, but there is scarcely a

measure passed during the present session that does not place some additional burden on the people of Queensland. On top of that comes along this request for additional taxation. Let us consider what has been the effect of the last twelve months. In various ways the Government have placed a burden on the people of this State equal to at least £1 per head of the population, if not more. Such a state of things has not occurred for many years in this State. As a matter of fact, taxation within the last [4 p.m.] twelve months has been increased by 50 per cent., that is 50 per cent. more than it was at any other time in the history in Queensland per head of the population. Have we had any development in Queensland commensurate with that burden placed upon the people? I say "No." We cannot look about and see that this money has been used for the purpose of developing the State in any way. The Treasurer is unable to point out and say, by reason of this taxation, reproductive works are being carried on in different parts of Queensland. It will be remembered that during the last elections the Treasurer said any Government ought to be able to construct its public works out of the revenues of the State. An opportunity has been given to this Government to do that, yet the Government are not constructing their public works out of the revenues of the State.

The SPEAKER: Order! The hon. member is getting away from the Bill. He will not be in order in dealing with the general financial policy of the Government on this motion.

HON. J. TOLMIE: This Bill deals with the financial obligations of the State.

The SPEAKER: Order! The hon. member had an opportunity of discussing the financial position of the State when the resolutions were before the Committee. In dealing with the Bill before the House now he must keep to the definite principles stated in the Bill.

HON. J. TOLMIE: Am I out of order in referring to the financial position of the State which has led to the introduction of this Bill?

The SPEAKER: Order! The hon. member may refer incidentally to such matters, but he will be out of order in arguing them at length.

HON. J. TOLMIE: I am simply pointing out that there is no necessity for the introduction of this Bill.

The SPEAKER: Order! The hon. member had full opportunity of discussing that matter and voting against it when the resolutions were before the Committee.

HON. J. TOLMIE: Is the second reading of this Bill not before us for consideration—a Bill to impose further taxation upon the people?

The SPEAKER: Order! The hon. member has no doubt read the Bill, and knows that it refers to definite principles which he is at liberty to discuss.

HON. J. TOLMIE: When I get beyond fair bounds in connection with this Bill then I hope, Mr. Speaker, that you will call me to order. Certainly if I do not agree with you there is the opportunity open to me to take such steps as I feel are necessary to protect the rights of members who desire to criticise the Government, the same as you have the right to prevent that criticism if you are of the opinion that the rules are being transgressed.

The SPEAKER: Order! The hon. member must know that on the second reading of a Bill he must discuss only the principles contained in the Bill.

HON. J. TOLMIE: That is exactly the position I am taking up—that there is no necessity for the introduction of this Bill; that there is no necessity for this extra taxation that the Government are endeavouring to place upon the people.

The SPEAKER: Order! I would point out to the hon. member that the House has already approved of the imposition of that taxation and this Bill merely embodies those resolutions.

HON. J. TOLMIE: I do not desire to bandy words with you, Mr. Speaker. I want to treat the Chair with all the respect that it is entitled to, as I have always endeavoured to do, but if I deal seriatim with the items contained in this measure, then you, Sir, will call me to order and point out that it is the principle of the Bill that should be dealt with. There is only one principle in this Bill as far as I can see, and that is the principle of additional taxation.

The SPEAKER: Order! I would point out that the principle is the method of taxation. The House has already agreed to the imposition of the tax.

HON. J. TOLMIE: If the principle is the method of taxation, all I have to say is that it is an exceedingly bad method, and a method which does not commend itself to me, and, I feel sure, does not commend itself to the House either. It is an unfortunate thing that there should be a necessity for the introduction of this measure. The Treasurer has told us that it is a Bill for the purpose of raising additional taxation. I take it that that is not the method, and if it is a Bill for raising additional taxation then we have a right to protest against it on the ground that the necessity does not exist, or ought not to exist, if there had been careful administration on the part of the Government. The only part of the measure with which I agree, is the provision allowing for a deduction of £20 instead of £15 in respect of each child under seventeen years of age. If there was an element of fairness in the proposition the Bill should have gone further and allowed a deduction of £26 each, in the case of a farmer, for the keep of men employed. Whether it will come within the scope of the Bill or not, I do not know, but when we get into Committee I shall test the question, and see whether it does come within the scope of the Bill, and if it does not come within the scope of the Bill I hope the Government will be in a position to allow that deduction because the taxation at the present time on that class of people is heavy, and they have a right to make that deduction inasmuch as it is part of the expenses they have to incur in making their incomes. The small provision that is made in the Bill for a remission of the tax in the case of donations to patriotic funds amounting to £5 and upwards is not worth much. After all said and done it will not affect the general taxpayer to any considerable extent at all. It is one of those things which is chucked in by the Government as a sort of window-dressing. The amount is not likely to be very considerable, and the donors of these amounts

would not object to pay the few shillings additional income tax. The measure itself does not appear to me to be necessary only inasmuch as it will make the working of the office a little easier than it is at the present time. Beyond that fact I am not in sympathy with the Bill at all. As a means of raising additional revenue it should not be considered at all. At the present time we ought to be trying to devise means by which we can reduce taxation and thus lessen the burdens of the people instead of increasing their burdens, as the Treasurer is trying to do, by the introduction of this Bill.

Mr. FORSYTH (*Murrumba*): The Government of the day appears to me to be a Government of taxation. We increased the amount of the income tax last year very materially. The old Act was introduced in a particularly bad time; it was introduced at a time when the position of the finances was even worse, so far as revenue is concerned, than it is to-day. The Government in 1902 found themselves with a decreasing revenue. It was falling very rapidly and in two years it fell away by a million of money, and naturally under those conditions one could expect that extra taxation would be put on the people.

Mr. BERTRAM: They imposed five different forms of taxation, including the poll-tax.

Mr. FORSYTH: I believe there are plenty of men who were quite willing to pay the 10s. tax. They would think nothing of going to a picnic or picture show or an hotel and spending it in five minutes, and yet hon. members cry out about the poll-tax. As a matter of fact, the present Government put on a poll-tax in connection with the income tax last year—they put on a rate of £1 on incomes between £100 and £200. What I want to point out is that, though the Government imposed that tax in 1902, they were not too well off, but within twelve months they were able to adjust the finances in such a way that they were practically square. I think the very first year they were in office—after the Philp Government went out—there was a deficit of £12,000 or £13,000, but the following year there was a surplus, and the highest rate ruling at that particular time in connection with personal exertion was 8d. in the £1, and in connection with property 9d. in the £1. Compare that with the present rate. By the Act passed last year the rate was increased from 3d. in the £1 on personal exertion to 1s. 6d. in the £1—about 250 per cent. I am sure that we will all agree it is a very stiff rate, but now the rates are to be further increased under this Bill as far as personal exertion is concerned, that it may, in some cases, and no doubt will in individual cases, be increased by no less than 33⅓ per cent. upon last year's rates.

The SECRETARY FOR PUBLIC INSTRUCTION: That is only on the higher salary.

Mr. FORSYTH: In addition to that increase there is a 20 per cent. super tax, so the people of Queensland are being taxed to such an extent that I am really surprised at any Government bringing in such a measure as this. There is no doubt that this Government has done nothing else but put increased taxes upon the people until the burden has become very great indeed, and it is very hard to say when they are going to stop. I presume, if there is a deficit next year of £250,000, there will be more taxation—an increased income tax or an increased land tax, or something like that. There does not appear to be the slightest idea of trying to economise in any way in connection with the finances so as to save the people the very high charges they will have to pay. In connection with the Federal Government, we must naturally expect that taxes will be increased because of the enormous expenditure in connection with the war. They have put on a very stiff tax of 25 per cent. on incomes, and they have a super tax of 25 per cent. over and above that, besides a great deal of taxation outside that altogether. They have put on more than 200 per cent. extra taxation upon the people this year over and above the taxation raised last year, so that one can see the enormous sums of money that it will be necessary to raise from the people of Australia by direct taxation. This is the position so far as Queensland is concerned. The Government have increased the income tax 33⅓ per cent. on what it was last year, and instead of 1s. 6d. being the maximum it is now 2s.

The TREASURER: No, no.

Mr. FORSYTH: If a man had £6,000 last year, how much did he pay? If he had an income of £6,000 he had to pay 1s. 6d. in the £1, but under the present proposal he will have to pay 2s. in the £1.

The TREASURER: That is not an increase of 33⅓ per cent. on last year's income tax.

Mr. FORSYTH: The maximum rate on £6,000 last year was 1s. 6d., and now the maximum is 2s. That is an increase of 33⅓ per cent.

The TREASURER: On that class, not on all incomes.

Mr. FORSYTH: On incomes over £6,000.

The TREASURER: You are trying to make out that there is 33⅓ per cent. increase on all incomes.

Mr. FORSYTH: The maximum tax on an income of £3,000 from personal exertion was 1s. 6d. in the £1, and if a man made £10,000 he paid 1s. 6d. in the £1, and no more. Under this proposal, if a man has an income of £5,000 or £6,000 a year he will pay 21d. in the £1, or 24d. in the £1, which is an increase of 33⅓ per cent. on that class of taxpayers. In addition to that there is the supertax, and the reason why that supertax is imposed is that it is anticipated there will be a shortage in the revenue. The hon. gentleman has told us that the supertax will only last during the war or for a year after the war. What has the war got to do with it?

The TREASURER: There is a sum of £100,000 on the Estimates.

Mr. FORSYTH: As a matter of fact, we know that there is no occasion to impose this tax at all. I showed that during the debate on the Budget Speech. I showed where the Treasurer could save on his Estimates sufficient to cover the anticipated deficit of £160,000. But the hon. gentleman would not have that; he said, "No, the policy of the Labour party is to tax the people all they can." Expenditure is going on at such a rate at the present time that it is very hard to say what will happen at the end of the year. I suppose we shall have additional taxation then. With regard to the tax on income from property, that is

raised to 27d. in the £1, which is the maximum rate. Then we come to the tax on companies and banking corporations. I discussed this question with the Commissioner for Income Tax, who gave me as much information as he could about it. I understand that there are some nineteen companies in Queensland, and that there was a good deal of trouble to find out what their incomes were, and it was thought that it would be much better for them to pay a flat rate of 18d. in the £1 than to pay the rate they have been paying up to the present time, which amounts to 12 per cent., and up to as high as 17 per cent. on profits. The Income Tax Commissioner is of opinion that instead of having these small and big rates, it would be a much simpler matter to have a flat rate, and therefore it is proposed that it should be fixed at 1s. 6d. in the £1, which is an average of 1s. in the £1 and 2s. in the £1, previously paid.

Now we come to insurance companies. I have always been of the opinion that insurance companies should simply pay income tax upon the profits made. But that has not been the policy of the State hitherto. It is said that it is very difficult to find out what are the profits of insurance companies. I cannot see why there should be any difficulty in an insurance company doing business in Queensland ascertaining what are the profits which they have made in Queensland. Some companies have made a very good harvest in some years, but have made no profit at all, and have even suffered losses, in other years. Yet under the old scheme they have had to pay income tax, and under this proposed scheme they will have to pay income tax on a flat rate of 1s. 6d. in the £1. That tax is based, not on profits, but on 25 per cent. of their net premiums.

Hon. J. A. FIHELLY: It is their own fault for not giving the Actuary their profits.

Mr. FORSYTH: I have not discussed this question with the representative of any insurance company, and am only expressing my own opinion on the matter. As I have intimated, I know some cases in which companies have suffered heavy losses, and yet they have had to pay income tax on a certain percentage of the net premiums they received. A company may have a net income of £50,000 from premiums for one year, and 25 per cent. of that is £12,500, and on that they had to pay 1s. in the £1, which amounts to over £600 a year.

Hon. J. A. FIHELLY: They probably preferred that to disclosing their profits every year.

Mr. FORSYTH: If a company makes a good profit in one year they should pay income tax on that profit, and not income tax on a percentage of their net revenue.

Hon. J. A. FIHELLY: I think you will find that the companies prefer to stand that sooner than ascertain their profits every year.

Mr. FORSYTH: I do not know about that. However, the rate now proposed is 1s. 6d. in the £1. The supertax of 20 per cent. is another item mentioned in the Bill. That is a tax which is not required.

The SECRETARY FOR AGRICULTURE: We want to find the £100,000 granted for war purposes.

Mr. FORSYTH: The hon. gentleman knows that the Government will not spend that £100,000.

The SECRETARY FOR AGRICULTURE: Yes, we will.

Mr. FORSYTH: The hon. gentleman knows very well that the Government will not spend that £100,000. When I discussed this question before I pointed out to the House that the Federal Government are raising no less than £10,000,000 for repatriation purposes. That money will not come from an income tax, or from a land tax, but will come directly from the wealth of the people. The Federal Government are going to raise 3½ of that amount this year. What, then, do the State Government want to put £100,000 on their Estimates for?

The SECRETARY FOR AGRICULTURE: If we had not made any provision of that sort no one would have growled about it more than yourself.

Mr. FORSYTH: I am not growling about it, but I say that I do not think it is possible for the Government to spend that £100,000 in six months, and practically one-half of the financial year has already passed.

The HOME SECRETARY: Do you favour it being cut out?

Mr. FORSYTH: No; I have no objection to the vote. What I say is that the amount has simply been put on the Estimates so as to bring forward a deficit and give the Government an excuse for putting on this extra taxation. I think it is the duty of the Australian people to see that the men who return from the front are well looked after, but I do not believe that the Government will spend this £100,000 in six months.

The SECRETARY FOR PUBLIC INSTRUCTION: We have to raise it, even if we cannot spend it this year.

Mr. FORSYTH: The Government should only raise the amount that they require for each particular year. My suggestion is that they should put down £50,000 this year, and £50,000 next year.

The HOME SECRETARY: Don't forget that there are pensions for the wives of men who have been killed at the front.

Mr. FORSYTH: I know that, but that is provided for in the Federal Act. I am told that at the present time the Federal Pensions Office has got no less than 2,000 claims for invalid pensions, or for pensions for the wives of men who have been killed. But they are going to raise £1,000,000 for that purpose this year. The Federal Government are doing their level best to raise money to provide pensions, and it is the duty of the State Government, who have not got to find that money, to make the conditions as easy as possible for the people [4.30 p.m.] who have to find their share of the taxation necessary to provide funds for the Federal Government. I told the hon. gentleman how he could cut down his Estimates.

The TREASURER: By starving the schools and reducing wages.

Mr. FORSYTH: No; I would neither starve the schools nor reduce wages, but would effect reductions which would not interfere with anybody. For instance, there is a sum of £47,000 charged to the Agricultural Department for advances to farmers, and that

sum should have been charged to a trust account, as it is money which has to be repaid. Therefore, although the money should have been paid out of trust funds, it was debited against the Agricultural Department, and the expenditure was increased by that amount.

The SECRETARY FOR PUBLIC INSTRUCTION: Then, should not that be taken off the Auditor-General's figures?

Mr. FORSYTH: I cannot go into the questions of the Auditor-General's figures. It is a pretty stiff report, so far as the Government are concerned. That amount should have been charged to trust funds, but the Government charged it to the ordinary expenditure.

The SPEAKER: Order! Order!

Mr. FORSYTH: I am endeavouring to show why the Government do not need this taxation at all, and I am endeavouring to explain why. But it does not make any difference to the Government. They are determined to bleed the people in every possible way. They do not appear to recognise the enormous seriousness of this great war. They do not appear to realise the huge sums that have been found and are being found to enable the Federal Government to carry on the war, and it is the duty of every State in Australia, Queensland included, to endeavour to make taxation as light as possible for that reason.

I think that the allowance of £20 in respect of each child is a very good thing. It often happens that a man with children, getting a good deal more than a single man, nevertheless really has a smaller income.

With regard to clause 4, the effect is that anybody who lends money, say, from the old country, to people out here, has to pay 7½ per cent. instead of 5 per cent. on the interest received. Is that likely to be the means of encouraging people to lend money to Queensland?

The TREASURER: It is a corresponding increase on the taxation.

Mr. FORSYTH: We need all the money we can to develop Queensland at the present time. There are companies in Queensland who have invested millions of money in developing various industries, and they will have to pay 7½ per cent. on the interest, instead of 5 per cent. I do not think it makes a great deal of difference, but it will leave a bad impression on the people who lend the money. They will say, "Why should we lend our money where we will have to pay 7½ per cent.?"

The TREASURER: That is an argument in favour of no taxation on the absentee.

Mr. FORSYTH: No. Leave it on the basis of 5 per cent., if you like. My argument is that taxation of that sort may be blocking people from lending money in Queensland. The bulk of the money comes from the old country, and is also subject to taxation there. We should encourage them to send the money out. As I discussed this proposal at considerable length when it was introduced, I have no desire to continue any further now. I do not think this taxation was at all necessary, and if the Government had the wellbeing of the people of Queensland at heart they never would have introduced it.

Mr. MACARTNEY (*Toowong*): I do not think the Opposition would be performing their duty if they did not protest against this continual heaping up of taxation, not only on the people of the country, but on the utilities of the country and the enterprises of the country. When these resolutions were introduced, unfortunately, the Treasurer was not in his place, and he was represented by the Premier, who told us that so far as taxation was concerned the increase would only be nominal—that the effect of the proposals was to remove something in the nature of anomalies. We learned from the Treasurer to-day that, on the contrary, it does mean extra taxation, and when we remember the increase of taxation that the people are under by reason of the operations of the Federal Government—necessarily under—and when we remember the increase of taxation imposed by the hon. member himself last year, we are forced to come to the conclusion that this increase of taxation is inimical to the interests and the enterprise of the country, upon which the residents of this State depend. Now, it is perfectly idle to say that taxation can be increased from time to time without increasing the cost of living or reducing the volume of enterprise. These things must necessarily follow, and the people must suffer accordingly. We recognise the right of the Federal Government at the present time to impose all such taxation as is necessary to continue the war, so far as Australia has a say in it, to the finish; but when taxation is imposed by the State itself, due perhaps to extravagance, taxation which is unnecessary, surely we are entitled to call a halt, so that the Federal Government may have the opportunity of getting all the money necessary for the supreme purpose.

The TREASURER: Of course, we know how you would make ends meet—by reducing the salaries and retrenching the public servants.

Mr. MACARTNEY: There is no use in the hon. member trying his political fireworks or endeavouring to draw me into statements to which he can point on another occasion. I am going to deal with the proposals in the Bill. It is amply disclosed that had the finances been handled properly, there would have been no occasion for the taxation of last year, and it has been stated as clearly as possible by the hon. member for Murrumba that there would be no need or no excuse for this proposal if the Estimates had not been so framed as apparently to justify it. The hon. member for Murrumba has pointed out a number of proposals that need not have appeared, and he has mentioned the sum of £100,000 which is not likely to be spent this year. What position will we find ourselves in on the 30th June next? We will find that the greater part of that sum will be amongst the unexpended balances for the year, whilst the money has been spent on some other Government scheme in connection with State stations or something of that sort. It is on the Estimates at the present time for the purpose of justifying the increase in taxation.

The TREASURER: You pass the taxation and let Parliament appropriate the money on the Estimates, and it will be paid.

Mr. MACARTNEY: It is put there for the purpose of carrying out the Premier's threat of making certain classes in this country squeal. There is not likely to be any squealing about it unless probably the squeal that comes from our friends on the other side when they experience the result of placing these burdens on enterprise. We are in for a lean time, and the actions of the

Government are going to accentuate the lean time. I am very sorry to say it, but the time is coming when we are going to feel it, and even the ignorant people who are very often misled by hon. members opposite will be able to realise it, and perhaps they will put the blame on the proper shoulders. We are not here to plead expressly for the person who is getting an income of £6,000 a year. The point I make is that the higher incomes which are said to be caught by this Bill, and which I particularly desire to draw attention to, are the incomes which are earned by enterprise, in production, earned by companies, which are, after all, the co-operation of a number of small financial people who can only put a few pounds or a moderate sum, at any rate, into a particular undertaking. It is an unfair thing to try to tax those small people in the indirect way of getting at the so-called larger companies. I think, in the interests of enterprise, in the interests of production, in the interests of the State, it would be a fair thing to tax every individual in the State on the income which he receives, whether he receives it from a company or direct. In that way the Government would receive taxation of the whole of the earned income of the State, but by imposing it on all the companies and allowing the individuals in their individual returns to set off the income received through companies so as to render it free from taxation, only enables the tax-gatherers to get taxation on the so-called higher income of the companies. These companies are not in all cases private individuals. Where they are private individuals, the private individual is caught with the larger income. But why should the State aim at imposing a higher tax on the income of companies, particularly dragging it from the small as well as the larger shareholders? I say it is not consonant with the interests of the State, with the interest of production or enterprise, and it must inevitably add to the cost of living, about which we hear so much. It must also lead to decreased expansion in industry, if it does not actually lead in course of time to a diminution in industry, and we cannot face a diminution in industry under present conditions altogether placidly, because there is no doubt that the war has had its effect on the industries of Australia. It has had its effect on certain parts of the production of Australia, and it will continue to have those effects increasingly, and people are suffering from the actions of the Federal Government in the direction of enterprises and the domains of commercial business. That must react as much on the employee in the future as it is doing at the present time on the employer, and it is time that responsible men at any rate called a halt and calculated what the effects of these things are going to be. The hon. member for Murrumba referred to the principle which is involved in the first part of clause 4 of the Bill. The hon. member is quite right in what he said. If there are people on the other side of the world and in the Southern States who are prepared to advance money to Queenslanders for the purpose of enterprises in Queensland at moderate rates, I think the least we can expect the Government to do is not to impose such a rate on them as will discourage them.

The TREASURER: Should not they pay income tax on the amounts they earn?

Mr. MACARTNEY: It may be a question of policy whether income tax should be charged.

The TREASURER: Your Government charged it.

Mr. MACARTNEY: Personally, I think it would be a matter of policy, particularly if the rate is a reasonable one. If a Queenslander borrows money from a person on the other side of the world or in the South, under a contract for a loan, which does not include a provision to enable him to deduct income tax, the section which is amended by this clause imposes on him a liability to pay, in addition to the interest on the mortgage, 5 per cent. on that interest by way of income tax to the Commissioner.

The TREASURER: It gives a right of deduction.

Mr. MACARTNEY: I am not sure that it does give a right of deduction. It may. But I know that there are borrowers in this State who have had to take the burden on their own shoulders.

The TREASURER: They did it unnecessarily.

Mr. MACARTNEY: The effect of this clause is to make him pay, not only 5 per cent. on the interest which he pays to the absentee lender, but 7½ per cent.

The TREASURER: The person paying the interest can deduct it from the amount assessable.

Mr. MACARTNEY: If the contract for the loan does not permit of a deduction of the interest, it is a question how far the Queensland Parliament can permit him to do it. As a matter of policy, hon. gentlemen should encourage all the cheap money that the people of Queensland can get from absentees, for the purpose of investment in the State and helping its progress. I do not propose to discuss any other aspect of the Bill except to say this—in regard to its retrospective legislation, which should always be condemned, I think it is a great mistake in this case. The hon. gentleman must know that a company or public utility or any other organisation must sit down before the commencement of any year and work out their ways and means, just the same as the Treasurer himself has to do. The people engaged in industry in 1915 had to work out their figures prior to January, 1916.

The TREASURER: They had to make provision against the possibility of an increase in taxation.

Mr. MACARTNEY: We passed a Bill imposing taxation last year, and that Bill was only assented to on the 29th December last. Is it likely that those companies took into consideration a possible increase in taxation during 1916? Yet this Bill is so far retrospective in its operation that those companies will have to pay income tax on the increased scale as from the 1st January of this year. I say that it is unjust to those companies, and unfair and short-sighted as a matter of policy. In subclause 7 of clause 2 there are retrospective provisions in regard to certain companies. As I stated, the Act which imposed the taxation last year was assented to on the 29th December. Notwithstanding that fact, we now find that taxation has been increased, and it has got to have retrospective effect. If this Bill did not include new taxation, and any company was escaping from taxation imposed last year, I would have nothing to say about it, because I do not think that companies or individuals ought to take advantage of what is an apparent slip in legislation.

The TREASURER: Should not companies pay the same taxation as well as anyone else?

Mr. MACARTNEY: I think that the principle of retrospective legislation is wrong altogether. The hon. member for Murrumba pointed out that the taxation of last year, in a certain case, increased the taxation by 33⅓ per cent., as well as 20 per cent. super tax. The hon. gentleman, in reply to that, said it only applied to the higher incomes. I admit that that is so; but the point I make is that the higher incomes are incomes engaged in business and enterprise.

The TREASURER: There is no increase of 33⅓ per cent. except in the case of a company with 18 per cent. profit. The hon. gentleman is referring to companies earning money from personal exertion.

Mr. MACARTNEY: There are companies paying income tax on income derived from personal exertion.

The TREASURER: No.

Mr. MACARTNEY: Well, I was under that impression. If it is erroneous, I do not wish to press the point. The fact remains that the increase in taxation generally can hardly be justified under the circumstances existing at the present time.

The SECRETARY FOR PUBLIC INSTRUCTION (Hon. H. F. Hardacre, *Leichhardt*): The leader of the Opposition stated that this was an unfortunate Government. We must admit that that is so, because we have an Opposition which, instead of fairly criticising the finances of the country, uses every opportunity to either misunderstand the position or misread the position merely in order to obtain some political capital out of it. The Government is unfortunate in being in the position of being left with a large number of enormous commitments from the last Government in connection with our public affairs. We have had thrown upon us a large number of unremunerative railways.

The SPEAKER: Order! I cannot allow the hon. gentleman to discuss that matter in connection with this Bill. He must confine himself to the principles of the Bill, which deal with the amendment of the Income Tax Act in certain particulars.

The SECRETARY FOR PUBLIC INSTRUCTION: I submit that I am justified in discussing this Bill to reply to certain criticisms that have been made.

The SPEAKER: The leader of the Opposition did not discuss that matter at all.

The SECRETARY FOR PUBLIC INSTRUCTION: But other speakers did, and I am in order in replying to them during the discussion on this Bill.

The SPEAKER: The proposals contained in the Bill are mentioned in clause 2, imposing a tax on the income of companies; in clause 3, imposing a super tax; and in clause 4, dealing with the increased amount payable on interest. There is also a provision increasing the amount in respect of the children of a taxpayer, and a further provision allowing a taxpayer to deduct the amount of donations he makes to patriotic purposes. The hon. gentleman should have discussed the whole question of the financial position of the Government on the Financial Statement. That would have been the proper place to do it. I do not propose to allow any discussion at this stage on the financial position of the Government.

The SECRETARY FOR PUBLIC INSTRUCTION: The leader of the Opposition made certain statements, and I should be allowed to reply to them.

Hon. J. TOLMIE: Take it gracefully, as I had to do.

The SECRETARY FOR PUBLIC INSTRUCTION: I merely wish to reply to the criticisms already made and allowed to be made by the leader of the Opposition.

The SPEAKER: The leader of the Opposition was not allowed to make them.

The SECRETARY FOR PUBLIC INSTRUCTION: There were other members opposite besides the leader of the Opposition who made reference to certain matters, and I wish to reply to them and to deal with this form of taxation.

The SPEAKER: The hon. gentleman must confine himself to the principles contained in this Bill.

The SECRETARY FOR PUBLIC INSTRUCTION: The provisions I wish to refer to are contained in the Bill.

The SPEAKER: The resolutions have already been agreed to by the House. A full discussion took place on those resolutions, and that was the time that the discussion should have taken place. The resolutions have now been passed and the taxation proposals agreed to have been embodied in this Bill.

The SECRETARY FOR PUBLIC INSTRUCTION: We had four speakers from the other side of the House, and each one made allegations against the provisions contained in this Bill. Surely I am in order in discussing the question in so far as to reply to the criticisms which had been made on this Bill? I do not intend to deal in a general way with financial affairs at all. I do not wish to deal with matters that I might have referred to on the Financial Statement, but merely to refer to the various criticisms offered, and I have a right to do that. I think I am right in that.

The SPEAKER: The hon. gentleman may proceed to deal with those matters if he connects his remarks with the principles in this Bill.

The SECRETARY FOR PUBLIC INSTRUCTION: I may also say that we have been unfortunate in finding ourselves forced to introduce taxation measures because of the conditions imposed on the Government, owing to a large number of railways passed by the late Government, which, to-day, are a burden to us because of the increased interest bill which we have to meet. We also have to provide additional money owing to the fact that we found a large underpaid staff of public servants. We were called upon to alleviate them, particularly those engaged in the Railway Department.

Hon. J. TOLMIE: What about your own teachers?

The SECRETARY FOR PUBLIC INSTRUCTION: Yes, also in my own department. In addition to that, we have difficulties because of the war owing to the increased cost of running the various public services. In addition, we have had a falling in revenue owing to the drought, and it has also affected us owing to the fact that the reduced incomes of last year mean less revenue per medium of the income tax. All that criticism is unfounded. We found ourselves in an

unfortunate position when we took office. There is an old adage, "Needs must when the devil drives." We propose to do it in this way rather than in some other way that former Governments have done. Former Governments in times of financial stress found themselves in four successive years with deficits. And in another period of five successive years the deficits amounted to £700,000, whereas we ended up our first year with a surplus of £3,000 and our second year with a surplus of £34,000. We have also given large sums to the assistance of farmers. Another member opposite said that there was no justification for introducing this measure, because we might have exercised sufficient economy to make no taxation measures necessary. We propose to introduce taxation of this kind rather than adopt the suggestions made by members opposite. It would have been a scandal and a disgrace to this Government or any Government if it had not abolished the quarter money and the payment for school requisites by the children, or if we had continued the unhealthy system of cesspits with regard to our schools, or if we had refused to make other allowances to our children in the State schools, or if we had adopted the other ways suggested by members opposite. The proper way to raise revenue is by increasing the rate of income tax on the higher incomes derived from properties and personal exertion in Queensland. That is what we propose to do in this Bill. Your ruling has rather limited me, Mr. Speaker, but I point out that this proposed rate of income tax is far more justifiable than any method of retrenchment or taxation ever proposed by any previous Government in Queensland. We must remember that there are many incomes proposed to be taxed to-day which are entirely unearned because of the increased price of wool, sheep, copper, and various other products of this State, brought about by the war. We know, of course, that the demand for copper has enormously increased the price of copper, the enormous demand for wool and cattle has increased the price enormously without any adequate investment on the part of the owners of those properties, and they have become enriched, solely, as the result of the war. We know that the shipping freights have been increased because of the scarcity of shipping. We know that shipping companies, with headquarters in Brisbane, have enormously increased their profits and dividends because of the demand for ships. Owing to the demand for ships to carry our troops to the old country, that has been the cause of the increase in the profits. An example was brought to my notice in one of the newspapers in New South Wales the other day where I saw that Messrs. Dalgety and Company, one of the big pastoral firms in Queensland, during the past half-year, paid a dividend of no less than 25 per cent. on their operations. They paid 8 per cent. ordinary dividends for the half-year, and an extra 8 per cent. for interim dividends, gave a bonus of 2s., paid £169,000 to the reserve fund, and carried forward £120,000 to the ordinary account for next year. They made no less than £140,000 net profit. When we find a company making extraordinary profits like those, without the investment of any additional capital, but simply on account of the misfortunes of the world, it is a fair thing that we should do something in the way proposed in regard to taxing the higher incomes, instead of adopting the proposal which found favour with the last Government and with the old Tory Governments of the past. When we compare the financial operations, methods, and proposals of this Government with the financial proposals of other Governments in the past, we find that this Government stands out to advantage as compared with those Governments.

[5 p.m.]

Mr. GUNN (*Carnarvon*): I have listened with a great deal of interest to the explanation of the Minister for Education. Possibly if we had been able to listen to the whole of his speech we should have been much more enlightened than we are at the present time. Australia is not at the present time able to finance itself. We are not exporting as much as we are importing, and if we are not very careful we shall be going insolvent. We ought to try to square our finances with other parts of the world if possible. I know that piling on taxation on people who are supposed to be able to bear it is a very popular method of taxation, but it will have the effect of preventing people from bringing money from other parts of the world to invest in Queensland. There is a time coming—and it is not very far ahead—when people who have their money invested in Australia will be glad to take it away from Australia, as owing to the State taxes and the Federal taxes they will have no profit on their investments.

The SECRETARY FOR AGRICULTURE: Where do you suggest they should take it to?

Mr. GUNN: There are various places to which they could take their capital.

The SECRETARY FOR AGRICULTURE: Name just one.

Mr. GUNN: There are the Argentine, America, Samoa——

The SECRETARY FOR AGRICULTURE: And the dear old mother country?

Mr. GUNN: Yes, the dear old mother country. Some cousins of mine came out here a little while ago from Great Britain. They had a little money to invest in Queensland, but, after listening for months to the way in which our legislation is carried on, and seeing how our land laws are administered, they went back to Great Britain, preferring to keep their capital in the old land. We should economise at the present time more than we are doing. The Minister for Education is very proud of letting the parents of children off the payment of quarter money. If I were in the Minister's position I would have continued to collect the quarter money and would have given it to the teachers.

The SPEAKER: Order!

Mr. GUNN: Very well, Sir, I will get that in some other time. The unfortunate taxpayer in Queensland is taxed by three factories—the shire council tax factory, the State tax factory, and the Federal tax factory—so that a great many people are beginning to think that it will be better to have unification. If we had unification, we should certainly save some of the expenses of running these various tax factories. It is all very well to pile taxes on men who it is thought can afford to pay, so long as you do not penalise the working man, but I am afraid that the piling on of these taxes will frighten away the capitalists of the world, and that Queensland will be a place that first of all people with money will get out of,

and then labour will get out of, leaving the country to Japanese, Chinese, or some other alien races.

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

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

GAS BILL.

CONSIDERATION IN COMMITTEE OF COUNCIL'S MESSAGE, No. 2.

On clause 3—"*Definitions; capital*"—

The HOME SECRETARY (Hon. J. Huxham, *Buranda*) moved—That the Committee insist upon their disagreement to the amendment upon which the Council had insisted. This amendment related to the definition of capital, and there was nothing in the clause to warrant the Committee accepting the definition. The clause relating to capital was clause 16, and that dealt with paid-up capital.

HON. J. TOLMIE hoped that a compromise would be effected with regard to this Bill, as he believed there was a desire on both sides of the House to have it passed in such a way that it would become law. He trusted that the Minister was not going to take up the position that he would not accept any of the Council's amendments.

The HOME SECRETARY: I did not say that, but I cannot accept this amendment.

HON. J. TOLMIE: It seemed to be a reasonable amendment, and he thought it would be well if the Minister could see his way to agree to it.

Question put and passed.

On clause 9—"*Cost of pipes to be defrayed by company and owner of premises*"—

On the motion of the HOME SECRETARY, the Committee did not insist upon their disagreement to the amendment in lines 34 to 41 (now 46 to 52), and agreed to the proposed further amendment of the Council.

On clause 10—"*Company may be ordered to supply gas*"—

On the motion of the HOME SECRETARY, the Committee did not insist upon their disagreement to the amendment on page 4 (now 5), line 59 (now 38); did not insist upon their disagreement to the amendment on line 4 (now 43); agreed to the proposed further amendment of the Council in this portion of the clause; and did not insist upon their disagreement to the amendment in line 6 (now 49).

On clause 13—"*Provision for fixing price of gas from time to time*"—

On the motion of the HOME SECRETARY, the Committee agreed to the proposed modification of the amendment on page 5 (now 6), line 58 (now 52), and to the insertion of the proviso suggested by the Council.

On clause 14—"*Charge for gas supplied by means of prepayment meters*"—

On the motion of the HOME SECRETARY, the Committee did not insist upon their amendment in this clause, and agreed to the proposed further amendment of the Council.

On clause 16—"*Reserve fund*"—

On the motion of the HOME SECRETARY, the Committee did not insist upon their disagreement to new clause 16, and agreed to the proposed substitution for paragraphs 3, 4, and 5, with the exception of the proviso.

On clause 17—"*Annual statement of accounts*"—

On the motion of the HOME SECRETARY, the Committee did not insist upon their disagreement to the omission of this clause.

On clause 21—"*Meters and fittings not subject to distress for rent, etc.*"—

On the motion of the HOME SECRETARY, the Committee did not insist upon their disagreement to the insertion of new clause 21 in its original form, but disagreed to the proposed addition thereto.

On Schedule III.,

On the motion of the HOME SECRETARY, the Committee agreed to the further amendment in Schedule III., paragraph 10, by the insertion of the word "State" before the word "Commissioner"; and did not insist on their disagreement to the insertion of paragraph 11 (*e*), and agreed to the addition of the words proposed by the Legislative Council.

The HOME SECRETARY moved that the Committee insist upon their disagreement to the insertion of paragraph 11 (*e*). That paragraph dealt with bad debts, and he could not see that that had anything to do with the cost of the production of gas, and for that reason he could not accept the amendment.

Question put and passed.

On the motion of the HOME SECRETARY, the Committee did not insist upon their disagreement to the insertion of paragraph 11 (*f*), and agreed to the addition of the words proposed by the Legislative Council.

The HOME SECRETARY moved—That the Committee do not insist upon their disagreement to the insertion of paragraph 12, but proposed, after the word "fund," to add—

> "so much as is used in a year to meet contingencies and to equalise dividends."

The provision was that, if any reserve fund contributed to the cost of the production of gas, or any sum needed to equalise dividends, that would be a fair charge on the production of gas.

Question put and passed.

The HOME SECRETARY moved—That the Committee insist upon their disagreement to the insertion of paragraph 14. That provided for discounts. They had discussed the matter before, and he did not see how, in any shape or form, it could be considered an item that should be charged to the cost of the production of gas.

MR. MACARTNEY said he would like to ask if the other side of the account showed the full charges for the cost in addition to the discount for cooking and heating.

The HOME SECRETARY: That will be provided for.

Question put and passed.

The HOME SECRETARY moved—That the Committee insist on their disagreement to the insertion, on page 10, now 15, of paragraph 10 (*a*). That paragraph provided for sundry debtors and outstanding accounts. In common with his other objections, he could not see that this had anything whatever to do with the cost of the production of gas.

Question put and passed.

On the motion of the HOME SECRETARY, the Committee did not insist upon their disagreement to the insertion of paragraph 10 (*b*).

The HOME SECRETARY moved—That the Committee insist upon their disagreement to the insertion of paragraph 10 (*c*). That paragraph dealt with any sum of money that might be lying to the credit of the companies at their banks. The same argument might be applied to this as to the other amendments to which he objected.

Question put and passed.

The HOME SECRETARY moved—That the Committee disagree to the amendment, on page 15, after line 23, inserting the words

> "deduct reserve fund after application of amount to meet contingencies or to equalise dividend."

Hon. members would recognise that that had been provided for earlier in the schedule, and was, therefore, unnecessary.

Question put and passed.

The HOME SECRETARY moved—That the Committee insist upon their disagreement in the amendment, on line 66 (now 24), substituting "10" for "8½." The Committee proposed to allow an extra 1 per cent. to make good certain leakages of gas, and that was an equitable adjustment.

Question put and passed.

The HOME SECRETARY moved—That the Committee disagree to the omission of the word "total," on line 24, and the substitution of the word "balance." That was provided for in another part of the Bill.

Question put and passed.

The HOME SECRETARY moved—That the Committee insist on their disagreement to the amendment in line 67 (now 25), substituting "£10" for "£7 10s." This was consequential on the disagreement to a previous amendment.

Question put and passed.

The HOME SECRETARY moved—That the Committee disagree to the omission of the word "total," on line 25, and substituting the word "balance." That was consequential on their previous disagreement.

Question put and passed.

On the motion of the HOME SECRETARY, the Committee agreed to the Council's amendment inserting, on page 15, lines 43 to 62.

The House resumed. The CHAIRMAN reported (1) That the Committee have not insisted on their disagreements to some of the Council's amendments; (2) have insisted on their disagreements to other; (3) have agreed to amendments proposed by the Council on their amendments; and (4) have proposed a further amendment to one of the Council's amendments.

[*Hon. J. Hu.ham.*

On the motion of the HOME SECRETARY, the report was adopted, and the Bill was ordered to be returned to the Council with the following message:—

"Mr. President,—

"The Legislative Assembly having had under consideration the Legislative Council's message of date 15th November, relative to the Gas Bill, beg now to intimate that they—

"Insist upon their disagreement to the amendment in clause 3 for the reason previously assigned.

"Do not insist upon their disagreement to the amendment in clause 9, lines 34 to 41 (now 46 to 52); and agree to the proposed further amendments of the Legislative Council.

"Do not insist upon their disagreement to the amendment in clause 10, line 4 (now 43); and agree to the proposed further amendment of the Legislative Council.

"Agree to the proposed modification of the amendment in clause 13, page 5 (now 6), line 58 (now 52), by the insertion of the suggested proviso on page 7, after line 4.

"Do not insist upon their disagreement to the amendment in clause 14; and agree to the proposed further amendments of the Legislative Council.

"Do not insist upon their disagreement to new clause 16, paragraphs 1 and 2, in their original form; and agree to the substitution of the proposed new paragraph for paragraphs 3, 4, and 5, with the exception of the proviso.

"Do not insist upon their disagreement to the insertion of new clause 21 in its original form; but disagree to the proposed addition thereto.

"Agree to the proposed further amendment in Schedule 3, paragraph 11 (*b*), inserting the word 'State' before the word 'Commissioner.'

"Do not insist upon their disagreement to the insertion of paragraph 11 (*e*); and agree to the addition of the words proposed by the Legislative Council.

"Insist upon their disagreement to the insertion of paragraph 11 (*e*) for the reason previously assigned.

"Do not insist upon their disagreement to the insertion of paragraph 11 (*f*); and agree to the addition of the words proposed by the Legislative Council.

"Do not insist upon their disagreement to the insertion of paragraph 12, but propose to add, after the word 'fund,' the words '(so much as is used in the year to meet contingencies and to equalise dividends),' in which further amendment they invite the concurrence of the Legislative Council.

Insist upon their disagreement to the insertion of paragraph 14 for the reason previously assigned.

"Insist upon their disagreement to the insertion of paragraph 10 (*a*) and 10 (*c*), page 15, for the reason previously assigned.

"Disagree to the insertion, after line 23, page 15, of the words 'Deduct reserve fund after application of amount to meet contingencies or to equalise dividends'—

"Because it is not necessary in view of the inclusion of portion of the reserve fund in the cost of production of gas.

"Insist upon their disagreement to the amendment on line 66 (now 25) substituting the figures '10' for the figures '7½,' and again offer to substitute the figures '8½.'

"Disagree to the omission of the word 'total,' on lines 24 and 25, and to the substitution of the word 'balance'—

"Because it is not now necessary.

"Insist upon their disagreement to the amendment on line 67 (now 25) as being consequential on the insistence upon the disagreement to the amendment on line 66 (now 24).

"And do not insist upon their disagreement to the other amendments upon which the Legislative Council have insisted.

"W. McCORMACK,
"Speaker.

"Legislative Assembly Chamber,
"Brisbane, 21st November, 1916."

REGULATION OF SUGAR CANE PRICES ACT AMENDMENT BILL.

SECOND READING.

The SECRETARY FOR AGRICULTURE (Hon. W. Lennon, *Herbert*): In moving the second reading of this Bill, I might perhaps remind hon. members of the object of the present Act: That explains the [5.30 p.m.] subject the Bill deals with, and experience has shown that it is a very complex question indeed. The original idea was to place in the hands of growers and of the millers a kind of arbitration board or court, so that they might arrive at a decision as to the value of cane. Unfortunately, through want of having had any previous practice, I presume, full advantage was not taken of that splendid opportunity, and a very considerable number of the local boards either failed to make an award or relegated the making of one to the Central Board. A further difficulty has arisen, in the northern part of the State especially, where legal gentlemen have been appointed as members of the boards, and that fact so prolonged the discussion in one case—that of the Goondi Mill—that the hearing lasted something like twenty-two days. That objection, I think, will be met by the proposition contained in the Bill.

Hon. J. TOLMIE: You may get him out of the board, but not out of this House.

The SECRETARY FOR AGRICULTURE: I do not think there is anything objectionable in the proposal I am making in the Bill. Further, we know, as the Supreme Court records show, that the principles of the Act were attacked vigorously by a very powerful company, and certain regulations issued by the Minister administering the Act, consequent on the company refusing access to the mills by check chemists, for the purpose of correcting the trouble, were declared ultra vires. Those regulations were issued with the best possible intentions, the most laudable intention of curing the defects discovered under the Bill. The fact that there were defects was not to be wondered at, because it was understood that the legislation was of an experimental character, and defects would, no doubt, reveal themselves from time to time. The Supreme Court unfortunately ruled the regulations ultra vires, and consequently a good deal of unnecessary expense has been incurred in the appointment of check chemists and great dissatisfaction has followed amongst the canegrowers generally, because they have not been able to get that full and careful analysis of their cane they might have expected.

As showing the complicated character of the matter, I may refer to the fact that invitations were issued by me to a number of sugar associations, to make recommendations in regard to the Act, and a very considerable number of recommendations were received from those associations and from many private individuals and others familiar with sugar legislation, or who took an interest in it. Twenty-five associations interested in the cultivation of sugarcane were asked for suggestions as to the best way of improving the Act, and most of those suggestions have been embodied in the Amending Bill. It may be mentioned that nine societies favoured the abolition of the local boards, and eight the abolition of the Central Board, and, of course, it is very hard to arrive at what really is desired when such conflicting opinions are given. As I have pointed out to hon. members, the local boards constitute the basic principle in the Act, which was passed practically to give persons concerned in the industry local government.

Another new feature in the Bill is that the mills are required to keep proper records in their books of the cost of treating cane and all matters of interest to the sugar grower in order to enable the boards to arrive at a decision as to what is the value of the cane. Those records will have to be supplied to the local boards, as well as to the Central Board.

Another important improvement in the Bill is that local boards must make awards. Already a most potent cause of trouble has been their failure—through neglect or indifference—to make awards, and through relegating of the making of awards to the Central Board, has so added to its work that it is now dealing with appeals that should have been settled perhaps four months ago. I think it will be conceded by members on both sides of the House that that amendment is a very decided improvement on the Act.

A further improvement which is made is the conferring on the judge, that is, the Chairman of the Central Board, the powers of a Supreme Court judge. The chairman is a judge of the District Court, and it has been found that the powers of a District Court judge only to some extent, limit the ability to keep the board clear of certain matters which could be dealt with more effectually if the powers of a Supreme Court judge could be exercised.

Again, the Act was drafted to provide that small mills, of which there are a few still in Queensland, should have the right to local boards. Unfortunately, the provision was objected to in this House, and, although it was carried in another place, amendments were made depriving those small mills of the advantages of their local boards. I have been appealed to again and again from certain districts in Queensland by growers, who pointed out that there were only a few growers in that particular district, and they could not comply with the conditions of the Act, and consequently they were outside its scope. To meet those two or three isolated

cases, which I think will claim the sympathy of the House, the original idea of giving those persons the opportunity of forming a board will be reverted to. I trust when the Bill goes into Committee this particular clause will meet with a better reception from members opposite than on the last occasion.

With regard to the levy for the administration of the Act, under the present system the grower alone has contributed. So much objection has been made to that idea—not on the part of the millers, I admit, but on the part of the growers—that in order to make it more satisfactory and fairer the levy is to be equally divided between or furnished by the growers and the millers in equal parts.

Further, an improvement—I think it may be called—will be introduced requiring the miller to pay in cash 90 per cent. of the base value of the cane crushed during the preceding thirty days. Some millers, no doubt, are very prompt in their payments, but others are somewhat dilatory.

In the case of appearances before the Central Board, another improvement is made. It is provided that members of local boards may attend and give evidence, and also call evidence in support of an appeal, before the Central Board. Such gentlemen will probably have an intimate knowledge of many local facts—in connection with the cost of production possibly, or the value of the land, or the difficulties under which they may have been labouring—and that evidence tendered before the Central Board may help it in coming to a juster decision, and perhaps more quickly, than otherwise. The difficulties that have been experienced by growers in the matter of frosted and burnt cane and cane affected by grubs are the subject of another amendment. Many mills quite recently have refused to handle such cane, for reasons known to themselves, and for reasons which I am not prepared to dispute. They may have had good reasons why they should prefer properly grown and cut cane and sound and healthy cane to frosted or burnt cane, or unhealthy cane. But the Bill provides that when the growers are satisfied that their cane, though it may be grub-eaten or frost-bitten or burned, contains more than 7 per cent. of commercial sugar, they can send it to the mill and compel the mill to take and crush it. A very great deal of difficulty has been experienced in the northern part of the State, and many persons have suffered very considerable hardship by the refusal of mills to accept cane of that sort. They have been advised to make an effort to arrive at the value of the cane so refused, either by weight or computation, or by having frequent running analyses, so that the Central Board may perhaps be able to review the matter and give them some relief.

Another difficulty arose in connection with the constitution of the Central Board. A very sudden resignation occurred of one of its prominent members, and the board was practically hung up by reason of the fact that the Act contained no provision as to a quorum. In the present Bill a quorum of three is provided. Another very important feature is that only the chairman and the elected members—that is, the canegrowers' representative and the millers' representative—will be entitled to vote. The member skilled in accountancy and the member skilled in sugar chemistry will be advisory members only.

Members will notice that in clause 4 it is provided—

> "No member of either House of Parliament and no member of the legal profession shall be qualified to be or act as a member of a local board or to appear before a local board in any representative capacity."

The reason for that provision has been that nothing short of a scandal occurred in the North by a prominent Sydney solicitor acting as a member of a local board. They also had eminent counsel employed at Goondi, and the result was that the local board sat from twenty-two to twenty-three days. That will be obviated under the present Bill. Members of Parliament may perhaps take umbrage at this reflection on them. There is nothing really serious in the matter. We have no desire to inflict discredit on any person, but it has been found that the sitting of legal gentlemen on the boards has led to unnecessary delay and undoubtedly a very considerable increase in cost, which is very undesirable. Members of Parliament are debarred from taking part in local board matters, either as principals or in any representative capacity.

Mr. MACARTNEY: What is the reason for that clause?

The SECRETARY FOR AGRICULTURE: The reason is perhaps similar to the reason urged by the Chief Secretary the other night. It is not considered that persons should have a voice in framing laws—hon. members exercise that privilege on all matters coming before this House—and should also have another say outside. It seemed to me unfair that we should have a double opportunity of exercising that privilege when other people are denied it, and I think it would be very satisfactory to debar them from appearing before the boards, just as we do in the case of legal gentlemen. I think I have gone over the main provisions of the Bill. There is just one thing I might mention. Hon. members will no doubt see that this amending Bill is considerably larger than the principal Act.

Hon. J. TOLMIE: Double the size.

The SECRETARY FOR AGRICULTURE: That may be accepted as an indication of the trouble we experienced in connection with this amending Bill. I might intimate to members now that I myself have some ten or eleven amendments which I propose to introduce in Committee, although the Bill has been drafted and redrafted half a dozen times in the last three or four weeks.

Hon. J. TOLMIE: Will you want to amend it again next year?

The SECRETARY FOR AGRICULTURE: I hope not. The hon. gentleman will admit that the Bill is somewhat of an experimental nature at present. It deals with the matter not coped with in any other country in the world, and therefore it should receive from the leader of the Opposition the treatment it deserves. The amendments which I propose are now being prepared and will be in the hands of hon members before the Bill gets into Committee. I, therefore, content myself by moving that the Bill be now read a second time.

Mr. SWAYNE (*Mirani*): I have always been in sympathy with the principle lying behind this measure. I quite realise and I am strongly of opinion that it will be most unwise to unduly harass private enterprise,

but, at the same time, there are occasions when they develop into a monopoly, and when that happens it is quite in accordance with Liberal principles that those monopolies should be checked from taking an undue advantage of their position. For instance, in the sugar industry, we know that there are districts where one mill is, through natural conditions, very often the sole buyer for the growers' crop. In other districts, where there is more than one mill operating they have established a zone system and the mills do not compete with one another so far as the cane in the different territories is concerned. There is no competition at all. When that sort of thing happens, it is only right that those who are entirely in the hands of the millers, who are the only buyers of their crop, should be protected, and Parliament should step in to protect them from imposition. For political reasons, a great deal has been made out of the position of the miller and grower and wrongdoing has been attributed where it does not exist. Still at the same time, I think, broadly speaking, it is only a right and proper thing in the sugar or any other industry that Parliament should step in to prevent those who possess a monopoly taking undue advantage of others. When I say monopoly, I recognise that monopolies are very often not objectionable in any way. Still, it is only human nature to take advantage of one's strength when it is possessed, and, as I have stated already, it is up to Parliament to prevent wrongdoing when such circumstances arise. Coming to the Bill itself, I notice that it is larger than the original measure, and there is scarcely a clause in it that does not in some way alter a section it is amending. Under the circumstances, I ask the Minister if it would not have been as well to wipe out the original Act and start afresh.

The SECRETARY FOR AGRICULTURE: If I had thought that there would have been so many amendments, I would have done so.

Mr. SWAYNE: Unfortunately, owing to the wording of the original Act, a great deal of misapprehension has arisen. Owing to the wording of the Act it took the Full Court a long time to arrive at the meaning of some of the clauses. For instance, I find in the judgment delivered by the Full Court in connection with the case mentioned by the Minister, Mr. Justice Lukin, speaking on behalf of the Full Court, uses the following words:—

> "In the Act under notice it seemed to him that the Legislature had used the word 'constitution' in two different senses, that of the creating of the board as an entity apart altogether from its members, who were appointed subsequently, and that of the vitalising of the board by the appointment of its members. Section 5, subsections 1, 2, and 3, and clauses 4 and 10 of the schedule seemed to show an intention to use the term in the first sense, and section 7 seemed to indicate its use in the second sense. It was to be regretted that the Act did not indicate the intention of the Legislature in plain language, and that it should have used the same terms in two different senses, and should have intensified the difficulty still further by the obscurity of the language in clause 10 of the schedule."

Again, later on, the same judge says—

> "Moreover, even if it were granted that in section 7 of the Act and clause 10 of the schedule the word 'constitution' referred to the original creation of the board, the most that could be urged was that the Act had omitted to make provision in respect of matters 'necessary and expedient to give effect to it.'"

In view of those remarks, I think I am justified in urging that it would be an advantage if the whole of the original Act had been repealed and an entirely new Bill brought in. In regard to the matter to which the judge refers, and the question of the term of existence of the local boards, there has been a good deal of overlapping. That position is met by this amending Bill. I notice that it distinctly lays down here that the local board shall be established for three years, so we need not apprehend any trouble in that direction in future.

The SECRETARY FOR AGRICULTURE: That is an improvement, you'll admit.

Mr. SWAYNE: Yes. I am prepared to recognise that there are many improvements in this Bill, and I simply raised the question that it would have been better to bring in an entirely new Act. With regard to the Bill, the Minister pointed out that many alterations have been made. I am pleased to see that it is mandatory on the local boards to give an award. It will be remembered that the first Bill of this kind came from the Government side of the House during the last Parliament.

The SECRETARY FOR AGRICULTURE: Don't forget that the author of it ran away from it.

Mr. SWAYNE: No. So far as I am concerned my position has always been perfectly clear and above board in this connection. I faced the electors after my vote on that matter, and they endorsed my action.

Mr. SMITH: You did not want to embarrass the Government.

Mr. SWAYNE: That did not influence me. It was said that the fixing of the price of cane was more a matter of adjustment by the local bodies. It was said that if the millers and growers could be brought together they could arrive at a fairly workable agreement. We are getting better informed; we have had the experience of the first year's working of the present Act, and I think in future that will happen. At present there is rather a tendency to appeal to the central board and discourage action by the local board. I am glad to see that the amending Bill provides that the local board shall give an award. It also gives the local boards power regarding the procuring of information that they did not hitherto possess. There is another important amendment in regard to the central board, as it limits the voting power of that board to three of its members. Hon. members may not know that originally the central board consisted of five members—the president of the court (a judge), the elected members from the growers and the millers—and in addition there were two expert members—an accountant, and a chemist. These two gentlemen were always looked upon in the position of being advisers more than as members of the board. It always seemed to me to be an anomaly that they should have voting powers. The result was that in some instances they combined with one of the sectional representative to outvote the judge and the other sectional representative. I do not think that

that is a good state of things. The award should be in the hands of the two assessors representing the two sections interested and the judge. That in future will be the case as it is provided for in the Bill. In this connection there is one part where a weakness might lie. I know I would be out of order to refer to the clauses of the Bill seriatim, but I would like to draw the attention of the Minister to clause 3, which deals with a quorum. It provides that any three voting members of the board may furnish a quorum. If the chairman is present he can exercise a casting vote according to the general custom. It further goes on to say that where the other two voting members of the board are present they shall also be a quorum and have full power to transact business, and I take it they can also give decisions. In the event of those two lay members representing the different sections disagreeing, as very likely would be the case, who then decides the question? There is an even number, and they are both on the same footing when the chairman is not present. It seems to me that a deadlock would take place. In this part of the clause it is provided that any two members having power to vote may form a quorum.

[7 p.m.]

The SECRETARY FOR AGRICULTURE: I do not think any two members can form a quorum.

The SPEAKER: Order! This is a matter which the hon. member can discuss in Committee.

Mr. SWAYNE: I think it is so; I simply wished to call the Minister's attention to it. We have already had a good deal of litigation and trouble through mistakes which crept into the original Act, and I was hopeful that no room would be left for anything of that kind in future. I think I am justified in saying that the amount of litigation which has arisen out of Acts passed by this Parliament is extraordinary.

Hon. J. A. FIHELLY: Through the deliberate bungling of the Opposition.

Mr. SWAYNE: No; through Acts passed by the Government in which you refused to accept amendments from us. Litigation has arisen under the Regulation of Sugar Cane Prices Act, and under the Insurance Act, of which the hon. gentleman who interjects is the author. Reading between the lines of the Full Court proceedings in the insurance case, I should say that the judges were exercised at the possibilities of litigation under the measure for which the hon. gentleman is answerable. However, that is getting away from the question before the House. I had hoped that when a measure was introduced amending the Regulation of Sugar Cane Prices Act, the Minister would repeal a provision embodied in the principal Act which I think should not exist, but I do not see any such amendment in this Bill. Section 12 of the principal Act gives the Minister power to lower the price that is awarded to the grower by a board, if the labour conditions are not, in his opinion, satisfactory. That is a most uncalled for provision. With all the industrial legislation we have to secure the rights of employees, I fail to see why the Minister should have power to step in between the board and the growers and interfere with a decision of the board. Section 12 gives ample power to deal with almost any matter that may arise in connection with the fixing of the price. As far as the employees are concerned, there are awards under the Industrial Peace Act, and I cannot see any reason why the Minister should arrogate to himself power to interfere with an award of the board. I was hopeful that we should find that that wrong was remedied in this measure, but I am afraid that such is not the case.

I am aware that the Minister has a communication from an organisation of canegrowers containing a series of some thirty suggestions, and I am pleased to see that many of those suggestions have been embodied in the Bill. But some of them have not been embodied in the Bill, and one of those suggestions deals with the matter of cash advances against a crop. It may be urged that such a matter does not come within the scope of the Bill.

The SECRETARY FOR AGRICULTURE: It is in the Bill.

Mr. SWAYNE: I am pleased to hear that, because though the mills formerly made such advances they have now largely ceased doing so. As the harvest of sugar-cane growers comes only once a year, it is often necessary for the growers to obtain advances to finance themselves until the crop comes round. Other suggestions have been made by the organisation referred to which are worthy of some attention. One of these is that which relates to the proportion of growers who can ask for a board. One of the defects of the principal Act was that it laid down a hard and fast number, and in the case of small mills there might not be so many growers in the district. This Bill will meet that difficulty, because it provides that a proportion of the growers can secure a board. I notice that at the end of the Bill there is a lengthy schedule requiring all sorts of particulars to be furnished by both millers and growers. Possibly in some instances the growers will be surprised when confronted with the list of particulars they have to furnish, but some of the information required is most desirable, in fact necessary, if the boards are to do their duty. On the whole, I think that the information asked for is necessary, though possibly some items might be omitted; but that is a matter that we can deal with when we go into Committee. It has often struck me that it was desirable that the position of mills should be better known than it has been in the past. I think that sometimes the millers err in not making their position clear. Going back to pre-war times, I think there was not sufficient protection given to the industry. The profits were not commensura'e with the capital invested by either section of those engaged in the industry, and we could present a very fair case for the imposition of an import duty, but we were always met by the contention that one section was doing remarkably well out of the industry, and that if there was a fair division of profits there would be ample for all. Speaking generally, I differed from that opinion, and I think it would be to the advantage of both millers and growers that the particulars I have referred to should be made public. We should then know how strong our case is. I believe it will be shown when things revert to a normal condition that a strong argument can be made out for the protection of the industry. The particulars asked for in the schedule to this measure will greatly strengthen our case in that direction. Among the requests presented by the United Canegrowers' Association there is one to the effect that it should be legal to make a

special levy on all growers who are concerned in the hearing of a case brought before the central board. This is one of those cases in which a few have sometimes to put their hands into their own pockets in order to defray the cost of matters from which others derive a benefit, and it is open to discussion whether such a provision as that indicated would not be a desirable addition to the Bill. Another suggestion made by this organisation is that frosted cane might be sent to any mill if the mill in the district was not crushing, and that a similar arrangement should be made with regard to diseased cane. That is necessary in view of the fact that although, generally speaking, it is requisite that districts should be defined, and that when people take part in the election of a board they should abide by the decision of that board, yet, on the other hand, if a mill was not crushing, it would be obviously unfair to prevent growers sending cane which would inevitably spoil if kept to another mill which was crushing. With regard to diseased cane, it is necessary that the crop should be cut off speedily, and the same latitude should be allowed the growers with respect to that cane. Some very desirable amendments are made in the Bill, and I think the board will do better work in the future than it has done in the past. I quite recognise that legislation of this kind is largely of an experimental character, and that it is very hard to tell exactly upon what lines the framer of the measure should proceed. as new needs show themselves as time goes on, and the measure gets into active work. That applies to nearly all legislation, and it is readily understood that in measures such as this it has been more particularly the case than usual. On the whole, it is an endeavour to meet the wants that from time to time have shown themselves, during the number of cases dealt with, but I do think that the Minister might listen to that suggestion of mine and refrain from taking to himself the right to interfere with the board. Nothing so far has arisen in connection with the industry to show that there is any need for the Minister to have that power, and I cannot see any good argument why it should exist. I cannot see that anything can happen to justify him in interfering in that drastic way with an award by such a board. I do not think that Ministers administering other Acts have that right, and why it should be taken in this case I certainly fail to see. What makes me speak at some length on this point now is that, not being in the Bill, it does not offer itself for amendment in Committee so far as I know, unless you can get in an additional clause. but whether a member would be in order in moving it I do not know. Therefore I urge the Minister that in that matter it would have been a wise action on his part to have omitted that obnoxious feature in the old Act. There are other matters that can be dealt with in Committee, and I have already pointed out that of a long list of suggestions that have come from different organisations of cane-growers, although some have been accepted—some of the principal ones—others have not. It is largely a Committee Bill, and I hope when we get into Committee that the Minister in charge will see fit to take suggestions, no matter from what side of the House they come. I shall support the second reading of the Bill.

Mr. SMITH (*Mackay*): I desire to have a few words to say in connection with this measure. The Secretary for Agriculture, in moving the second reading, pointed out the somewhat experimental nature of this measure, and quite truly pointed out that the Act was the only one of its kind in any part of the world. Still, I say that the principle laid down is one that could be justified from many points of view. It lays down for the first time that the growers and producers of any particular commodity shall have a say in fixing the price of that commodity. You will remember that prior to the passage of the principal Act, growers had not that power, and it has been shown by the necessity of amending the principal Act that they have not got that power yet. Consequently this Ministry, and this party, are to be congratulated not only for introducing a measure containing those principles, but for taking advantage of experience gained, and moving in the way of making this a more perfect measure.

The first point that interests me in the Bill is in connection with the appointment of a valuator: That I think is a very good thing. In the administration of this Act there has been a certain amount of trouble about the valuation of mill property. The growers' representative in some instances, and in others the millers' representative, complained about the valuation placed on certain mill properties. The method adopted by the Central Board is to take into consideration the value of the mill plant and assets, and take them into consideration with several other things in fixing the price that mill is capable of paying. It has been pointed out to me by members of local boards, and also those interested in the conduct of the central board, that they have been considerably handicapped by being compelled to accept whatever figures and returns the millers liked to place before the board. I consider that is wrong, and under this measure, by the appointment of qualified valuators and the other sections of the Bill providing for certain returns and records, it will do away with certain grave disabilities. There is no doubt the principle of this Bill is that the two interests concerned shall meet together, with an impartial chairman, and decide as to what shall be an equitable price for the cane the growers produce, and to arrive at a just conclusion it is necessary to both sides that the matter should provide as full and complete evidence as possible. In the past, I understand, in many cases that has not been done. While the growers placed their case fully before the board, both local and central, the central and the local boards were handicapped, inasmuch that they did not receive sufficient evidence for reaching a true decision in regard to a particular mill.

There is also another point in this connection that is well worthy of a little attention on the part of the House, and that is with regard to the appointment of check chemists. The tendency at the present time is for payment of cane to be made on the commercial sugar contents of that cane. You will remember that there has been a good deal of dispute as to the method that should be adopted to arrive at what is an economic price for cane. Much argument has been used against the old flat rate system of payment. It has been urged that while at one time cane was paid for at a flat rate—and particularly during the time of the payment of bounty—cane was accepted which contained practically no sugar at all, so that

the grower might receive the bounty. Whether that is correct or not, there is no doubt the tendency at the present time is to pay for the cane on the sugar contents, thereby inducing the grower to grow sweeter and better varieties of cane, and also in some instances insuring that the miller increases the efficiency in his mill. Now the central board in its operations last year have in the majority of cases laid down a scale of payments on the sugar contents of the cane. The trouble in carrying that out was that in many instances the mills had not a laboratory in which to analyse the cane properly, and, in other instances, where they had such facilities, the growers were compelled to accept whatever analysis the mill official cared to say was the analysis of the cane. That led to a good deal of friction, because we know that the growers in the past have often had good reason to doubt both the weights given by the mill officials and the analysis, and, in order that the awards of the Central Board should be carried out properly, fully, and honestly, the Minister introduced additional regulations under the principal Act. The whole validity of the principal Act has been questioned in the High Court, and those regulations have not only been questioned, but they have been declared invalid. It is, therefore, essential in that connection to see that provision is made in this amending Bill that check chemists and check weighmen will be provided for properly.

It is also interesting to note the attitude of the Opposition towards this Bill. It appears that this measure is going to have a pretty safe passage through this House as far as its principles are concerned, but we know also that members opposite by moving that those regulations be disallowed have shown that they are not in real sympathy with the genuine producers at all. They have attempted in this House and in another place to do for vested interests what they were moving the courts to do. In this measure provision is made for the appointment of check chemists at those mills. Those men will carry out a very important function; a considerable section of this amending Bill deals with the duties of check chemists. In addition to that the grower is also given an opportunity, if he so desires, of appointing check weighmen. That is a thing the growers from certain districts have asked for on many occasions. This Bill may be divided roughly into two—that is, that portion dealing with local boards and that portion dealing with the functions of the central board. In the drafting of the principal Act, and in the provisions of this amending Bill, the idea of a local board is to give the growers and the interests concerned in certain localities complete local power—that is to say, they shall have power to form a local board, with representatives of both growers and millers, with an impartial chairman. That is a very good idea, yet it was found in operation that in many instances those boards did not carry out those functions; and, very wisely, the Minister has made it obligatory in this Bill that local boards shall make an award. There shall be two representatives of the growers and two representatives of the millers, with an impartial chairman; evidence will be called from either side, and, failing an agreement between the parties concerned, the chairman will act as referee or arbitrator. It is a good idea to have these local boards, because conditions with regard to sugar are not identical in every district, so that it is better that power shall be in the hands—and used if possible—of those interested in that particular locality. On the other hand, the central board will carry out the functions they were intended to—that is to be in a sense a court of appeal. Certain matters may be referred by the local boards to the Central Board, and they will be really what they were intended to be, to a large extent, a court of appeal.

This is a very good measure, and will lead to facility in the administration of the Act. We know that by the neglect of these local boards in the past the business before the central board has been much congested, and often before awards had been made a new season had commenced. It is also, I think, a good idea to make provision where one local board can deal with more than one mill. We know that in certain districts mills are fairly close to one another, and there would be no difficulty, if the parties interested so desired, in one board carrying out the functions for more than one mill. It is also a wise provision in connection with that portion of the Act which assigned [7.30 p.m.] certain land to certain mills that make exceptions in the case of frosted or damaged cane. We had an instance in my electorate this season where cane was heavily frosted on land that was assigned to a mill that did not start crushing till some time afterwards. Under a provision such as this, it would enable those men to send their cane along the railway line to whatever mill started first. There is another amendment dealing with the members of the central board. There have been many protests by canegrowers against the paid officials of the department, the chemist and the accountant, having votes in fixing an award. Rightly falling in with the growers' requests, the Minister has decided to provide that only the millers and growers' representatives shall make the award, and the duties of the chemist and accountant are to be confined to giving expert opinions and advice.

There is another important provision giving the Governor in Council power under certain conditions—for example, a member of the Central Board may be absent through illness or other cause—to appoint a substitute. I think that is a very wise provision, because hon. members may remember that on one occasion during this year the millers' representative resigned and declined to take any further active part in the sittings of the board. There was no provision in the Act for the appointment of a successor, with the result that the business could have been hung up for some considerable time. Of course, I know that later on that gentleman decided to continue his duties.

The hon. member for Mirani objects to section 12 of the Act, which gives power to the Minister to vary an award if the conditions of labour are not satisfactory to him. I would point out that this is only following the provisions of the Sugar Acquisition Act, where there is power to vary the price millers shall receive for raw sugar if the conditions of labour are unsatisfactory. And I understand that there is a precedent for it in the action of the Government of the party opposite when they held office. I know of a case where a wages board award was given in Rockhampton that displeased

the Employers' Federation, and the Liberal Government dealt with the award by reducing the wages from 9s. to 7s. a day. In addition to that, we can also call to mind certain cases that may arise where it might be advisable to have the power. It is one that would not be used by any Minister unless it is absolutely necessary.

The SECRETARY FOR AGRICULTURE: It has not been used.

Mr. SMITH: It has not yet been used, but some contingency might arise where certain gentlemen might give preference to coloured labour, and it might be well in the interests of the white Australia policy to have this power as a deterrent. It is generally agreed that this Bill provides for considerable and very liberal amendments of the Act. I think the Act, so far as it has been in operation, has justified its introduction. When the provisions of this Bill are added to it, many of the disabilities that exist at the present time will be removed, and we shall have gone a long way towards securing to the grower a just say in fixing the value of the commodity which he produces. We know that defects have appeared in the past. One of the difficulties in the working of a measure of this kind is to get people to use it properly. The growers will have considerable power under this Bill, and it is well for them to study this particular style of legislation, so that they will know it fully and be able to use it to their own advantage, appointing men to the local boards and the Central Board who really will represent the growers' interests. We know that the millers will take good care to send men who will represent their interests. It is all a matter of development and of taking advantage of the machinery in existence. When that is done, I have little doubt that it will be to the advantage of the primary producer, and will do away with many of the disabilities under which that most deserving class of men now suffers.

Mr. GUNN (*Carnarvon*): When the present Act was before the House last session I did not think very much of the principle. I predicted that something of this sort would happen. I predicted that it would be no time before we had further amendments and still further amendments, and that we would be, nevertheless, no nearer our goal. I do not believe that we are going to settle questions like this—wages or anything else—by means of arbitration courts. I think it has been proved all the world over that they are falling to the ground. In Great Britain the trade unionists do not believe in arbitration.

Mr. SMITH: How do you know? Were you ever a member of any of them?

Mr GUNN: In Great Britain they believe in the old-fashioned strike, and I believe that that is the only thing that prevails at the present time. These arbitration boards and other things do not obviate the strike at all. I think that we shall continue to have the old-fashioned strike till the end of the chapter. In introducing this Bill, the Minister said that the amendments were larger than the Act. And there are further amendments in his despatch-box that have been drafted since the Bill was printed. So it will go on. Next session we shall have another amendment of the Bill, and we shall be no further ahead than at the present time. Last session the hon. member for Burke moved that the industry be nationalised, and I think that if there is anything that ought to be taken over by the Government it is the sugar industry. They have control of the central mills at the present time, and what with Federal interference and State interference nobody is satisfied. I think it would be far better for the Government to take over the industry altogether.

Mr. SWAYNE: Buy out the farmers?

Mr. GUNN: I am convinced they would be only too pleased to take debentures. If they had Treasury debentures they would be able to cash them and carry on, and the Government could go in for the industry, manage it at their own sweet will, and see how they got on. People in the Southern States are getting so disgusted with so many new laws and regulations with reference to sugar that they will say, "Why should we not do with sugar as we do with tea? Our tea comes from China."

The SPEAKER: Order! The hon. member is getting away from the question.

Mr. GUNN: Sugar and tea always have gone together since I was a youngster.

The SPEAKER: Order!

Mr. GUNN: With regard to the sugar industry, I think it is really coming to that pass where, if it is not taken over by the Government, the people who are carrying on the industry will go out of it into the dairying and other industries. The people in the South do not care 2d. whether sugar is grown in Queensland or any other place. If it comes from Japan it will be just as sweet. I do not think the sugar boards will prolong the life of the industry a day. They mean so many more public servants appointed by the Government, so many more fat billets for Ministers to give away, but I am afraid that the sugar industry is doomed so far as Queensland and Australia are concerned.

Mr. MACARTNEY: The hon. member who introduced the Bill very properly stated that there is very much more amendment than original Act, and it is certainly one of those complex proposals that take a lot of very close study. It is essentially a Bill for discussion in Committee, and I do not propose to enter into a long reference to it, but I would suggest in all seriousness that it would be a fair thing to allow a reasonable time to elapse between the second reading and the Committee stage, in order that the complex amendments might be considered and thoroughly dealt with.

I am inclined to sympathise with the remarks made by the hon. member for Carnarvon, who states that there is at least some danger from the rest of Australia so far as the sugar industry is concerned. I feel that it will be very much a matter with politicians in the South one of these days as to whether the successful progress of the industry in Queensland will be permitted. I have considerable doubt as to whether the large number of persons resident in the cities of Australia south of Queensland will be willing to pay the price of sugar that is necessary in view of the burdens that are being placed on the industry, not only by the award recently discussed in this House—which is still a heavy factor in Queensland—but also by the conditions imposed on the industry by the Act which this Bill is designed to amend. I was not one of those

who hoped for any great success from the legislation introduced last session, and I think the admission of the Minister goes to show that he does not think very much success has been derived from the operations of the Act.

The SECRETARY FOR AGRICULTURE: The two monopolies complained and reduced their profits. I take that as a very good omen.

Mr. MACARTNEY: I am not going to enter into a discussion with the hon. member as to that. I would just like him to say what advantage the central mill funds have derived from this legislation. The State of Queensland has invested a very large sum of money in the industry, and judging by some remarks made by the Auditor-General, I am not inclined to think that the result of the Act has been very much to the advantage of those mills. Reference has been made to the fact that portion of the regulations made under the Act have been held to be ultra vires by the Supreme Court. That is a matter in which, I think, both sides of the House are very much interested. It does not matter who occupies the Treasury benches—it is the right of this House to deal with legislation, and if, under the power to make regulations, the Government of the country are to legislate, then they are to that extent taking that power from the general body of members of the House, whether they be supporters of the Government or members of the Opposition. The delegation of the power to legislate is one which the House should deal with tenderly, and if the Ministers for the time being abuse the authority which the House gives them——

The SECRETARY FOR AGRICULTURE: Was it not right to state the fact that the regulations had been ruled to be ultra vires?

Mr. MACARTNEY: No one is questioning that. The very fact that they were held to be ultra vires shows that the Minister administering the Department has been a party to making regulations which exceed the power the House or Parliament generally gave them. I say that is a reflection on Parliament. It is not a reflection on the sugar interests involved in the Bill or the particular criticisms of members of this House. I say that members on both sides of the House should be jealous of the powers they possess, and at least not give the Ministry of the day greater powers of legislation by regulation than they intended to give. That is a thing that ought to be closely watched. I do not wish to make any remarks in connection with the somewhat flippant utterances of the Minister in regard to the profession to which I belong.

The SECRETARY FOR AGRICULTURE: No, they were not flippant.

Mr. MACARTNEY: It came to me somewhat of a novelty to hear that there had been a scandalous abuse of the provisions of the Act. I had not known that before. Personally, I am not prepared to support any abuse of the privileges which any man may have as a member of the board, but I venture to say that a man with some legal experience is just as well able to unravel the problems which have to be unravelled in an inquiry of this sort as any layman.

The SECRETARY FOR AGRICULTURE: There is no need to take twenty-three days to do it.

Mr. MACARTNEY: I am not talking about any particular case. This is the first I have heard of it. At any rate, it was necessary for the chairman to have legal experience, so there was no reason for the flippant remarks of the hon. gentleman.

The SECRETARY FOR AGRICULTURE: I deny that they were flippant.

Mr. MACARTNEY: Well, then, I will call them jocular. I trust that an opportunity will be given to consider the Bill, so that when it comes to be discussed in detail in Committee members will be able to discuss it with the fullest knowledge.

Mr. ARMFIELD (*Musgrave*): I desire to say a few words on the measure, and I compliment the mover for bringing forward this amended Bill. In my opinion it is one of the most important measures we have had before this House, as it deals with one of the most important industries in Queensland. This Bill is brought in with the view of protecting the farmer, and as members of the Opposition in times past have always said that they are anxious to do all that is possible for the farmer, we can look for their support in passing this measure. We know that the farmer has been at the mercy of the miller, and this Bill will be the means of fixing a fair price for the cane. Years ago, before the workers in the sugar industry obtained a fair wage, the farmer was unable to obtain sufficient for his cane to make the growing pay. To-day, when the worker is obtaining a fair remuneration for his labour, the miller does not wish to pay the grower a fair price for his cane. The consequence is that the price paid for cane is not remunerative enough to enable the farmer to pay a fair rate of wages. This Bill provides for check chemists. That is a very important provision indeed. A case came under my notice during last season where a seller of cane did not get the full price for his cane according to analysis. According to the analysis at the experimental station in Bundaberg, his cane went from 3 to 4 per cent. higher than he was credited with at the mill. It is one of the best features of the Bill, as it protects the canegrower from being defrauded by the miller. The miller is doing remarkably well at the present time, although the miller wishes the people to believe that he is not making any money out of the industry. We know that the miller receives £15 per ton for raw sugar, and last season the price was raised to £18 per ton. It was expected that the farmer would receive an extra amount of money for his cane commensurate with that rise. If he received the money he was entitled to, he would have got another 6s. per ton for his cane. From interviews that I have had with farmers, I find that they have no objection to pay a fair rate of wage to their employees. They have said to me that so long as they get a fair price for their cane they would be willing to pay fair wages. I agree that it is better to give the farmer a better price for his cane. In the past the farmers have been at the mercy of the miller, but the cane prices boards will give him relief now, as they will give him a fair price for his cane according to the cost of production. When the original Act was passed, it was more or less of an experimental nature. I trust that this amending Bill will be passed, as, if it is, it will be a great benefit to the canegrower.

Mr. COLLINS (*Bowen*): I just want to say a few words in regard to this Bill. There can be no doubt that the Sugar Cane Prices Act has already proved to be of some benefit to the sugar-growers of Queensland. We all know that this Government, in conjunction with the Commonwealth Government, fixed a price for raw sugar. It then followed that the canegrower should get a better price for his cane. Like the hon. member for Carnarvon, I remember when the Cane Prices Act was brought before this House. I pointed out then that, in my opinion, it would not give satisfaction to all the canegrowers. Neither do I expect this amending Bill to give satisfaction to all the canegrowers in Queensland. I do not expect this amending Bill to be perfect, and I am not going to be disheartened in the least because of that. No legislation is perfect. If all legislation was perfect there would be no need for any legislators at all and our jobs would all be gone. We want to go step by step and proceed according to the law of evolution. When we passed the Cane Prices Act we knew that when the practical farmer had experience of its working he would find out what the difficulties were in connection with the measure. The practical men—the farmers—have had experience of it, and this amending Bill is founded on the suggestions put forward by them—by the sugar-growers themselves. Therefore, if it is not as good as some of the sugar-growers would like it to be, they themselves are to blame to a great extent. I can quite understand the attitude of the hon. member for Toowong, because we all know that some years ago, when a proposal was made in this House on somewhat similar lines, he pointed out that it would splinter all the planks of the Liberal party's platform. Therefore we do not expect any sympathy from the hon. member for Toowong. At any rate I am very pleased with the amendments proposed to be made in this Bill. Consideration has to be given to the cost of producing the cane under this Bill. That was not in the original Act. We wish to ascertain what it really costs to produce a ton of cane. That is for the benefit of the sugar-grower. I do not agree with the hon. member for Carnarvon, who seems to think that the sugar industry may pass out of Queensland, because, in my own electorate, they are increasing the acreage under cane in one particular part of it. (Hear, hear!) We have heard these cries before about the sugar industry passing out of Queensland, but that is not likely to take place at all.

Mr. GUNN: Why not nationalise it?

Mr. COLLINS: If a measure were introduced to nationalise the sugar industry the hon. member for Carnarvon would vote against it. He objects to the State acquiring cattle stations, and he would also object to this.

Mr. GUNN: If it is such a good paying game, why don't you tackle it?

Mr. COLLINS: There is another amendment here which is not in the original Act. When a levy has been made on every ton of cane in the past the canegrower had to pay it. Under this Bill half of the levy has to be paid by the millowner and half by the grower. That is a step in the right direction. There is a provision here whereby the canegrowers can have checkweighers. I am satisfied that this Bill will be welcomed by the canegrowers of Queensland. If this Bill does not give satisfaction, then we will have to get it amended again until it gives satisfaction to the bulk of the canegrowers. We do not expect it to give satisfaction to all the canegrowers, and I say that as a representative of a sugar district. There is an amendment whereby ten growers or one-third of the suppliers to a mill can apply for a board. That is a very good provision indeed. I hope that this Bill will very quickly get on the statute-book, and thereby assist the canegrowers. It is a Bill to assist the primary producer, who in this case grows the cane.

HON. J. TOLMIE: I cannot help noticing the members on the other side are endeavouring to cheer the flagging spirits of the Minister in charge of the Bill. They refer to it as a good Bill.

Mr. MURPHY: It ought to be a good Bill, seeing that they took a hand in framing it themselves.

HON. J. TOLMIE: Notwithstanding that the Minister himself does not think very much of it.

The SECRETARY FOR AGRICULTURE: How do you arrive at that?

HON. J. TOLMIE: You told us that the original Bill was purely experimental.

The SECRETARY FOR AGRICULTURE: I said largely experimental. A very great difference.

HON. J. TOLMIE: The hon. member said it was largely experimental, and he goes on to tell us that the new Bill that he has introduced is still further experimental. There is no question about it—the Bill is of an experimental nature, and I think the Minister is too precipitate in the introduction of amendments of the Act. It is less than twelve months since the Act was brought into operation.

The SECRETARY FOR AGRICULTURE: More than twelve months—it was passed in October.

HON. J. TOLMIE: I say it is less than twelve months since the Act was brought into operation, and during that short period the Minister has found that it is unworkable, and has not given satisfaction to any class of workers in connection with the industry. Consequently he comes down now [8 p.m.] with an amendment of the measure. This Bill contains amendments which are about twice the size of the original Act, so that if the hon. gentleman goes on making amendments by a system of geometrical progression we shall next year have a measure double the size of this to amend the present Bill. It may be quite true that cane prices boards have not previously been tried, but legislation of this kind is as old as the hills. In various forms it has been tried to meet the conditions which prevail at different periods of the world's history.

The SECRETARY FOR AGRICULTURE: It is absolutely unique.

HON. J. TOLMIE: I am quite prepared to say that the Bill is absolutely unique in its provisions, but men have previously proceeded on similar lines in order to bring the producer and the consumer together, and their efforts have been a failure. The present Government have tried the principle in more measures than one during the short

time they have been in office, and they have not succeeded. The original Act was condemned, and rightly condemned, by the Supreme Court, and it is in order to overcome the very strong objections raised by the court in some directions that the Minister has brought forward this Bill. I do not know whether he would have brought forward an amending Bill at all were it not that he has to follow a will which is stronger than his own, and that he has to agree to the decision of the majority in regard to this measure. That principle I find he objects to in the measure itself. Further, he is certainly endeavouring to apply in this measure the principle of compulsion, although he does not altogether approve of the principle of compulsion in other directions.

The SECRETARY FOR AGRICULTURE: I do not believe in compulsory foreign service.

HON. J. TOLMIE: If I believe in compulsory foreign service, the hon. gentleman certainly does not. I was endeavouring to point out that the judges took strong exception to some of the principles contained in the original Act, particularly that principle in which the Government sought to force on millowners conditions which should not be forced upon them. It is a wrong principle that the Government should ask the millowners to provide all the material required for the use of check chemists. If they thought it was necessary to put check chemists into the mills, they should have made the necessary provision for them, and nothing said that they should be at liberty to use the material provided by the mill for their own chemists. That was an invasion of a man's private rights, and they had no more right to do that than any hon. member would have a right to force himself into the private dwelling of another hon. member and make use of any article of which that member might be possessed. In this measure the Government are seeking to make law that principle which was so adversely criticised by the Full Court. They are not content with saying that check chemists may go into a mill and use the property that belongs to millowners for the purpose of carrying out their duties, but they perpetrate another serious invasion of the rights of private persons, and provide that persons associated with the board shall have the right to go into a mill or any farmhouse in the district and make an examination of all the papers held by the owner in connection with the industry.

The SECRETARY FOR AGRICULTURE: Under an oath of secrecy; do not withhold that fact.

HON. J. TOLMIE: I am not going to withhold that fact. Not only are officers of the board, the check chemists, and members of the board given this right, but it is provided that the suppliers of cane may go into the mill, or into each other's private offices or dwellings—wherever they keep their papers—for the purpose of examining their papers. Where is this kind of thing going to stop? Is there going to be a systematic invasion of the rights of individuals? Is this measure only the precursor of such conduct as that? Do you think it is a just thing that such powers should be given to those persons? The Minister says they will go in under a bond of secrecy. I might describe this measure as an Inquisition Bill in one part and a Star Chamber Bill in another part. It is inquisitorial in the demands it makes on persons growing cane to disclose to all and sundry what their business may be. Another principle laid down in the measure is that the board or court trying a case may adopt a Star Chamber procedure of excluding persons who have a right to be present for the purpose of ascertaining what is taking place in regard to matters which affect themselves individually. It is a farce to think that secrecy can be maintained by all those persons who may investigate the accounts. When persons find out what the papers held by millowners or farmers contain, and make an appeal to the court, they will be able with the knowledge they have to put such questions in the examination of the witness as will disclose the knowledge they had gained by their investigation in such a way as will enable the people of the district to understand what is the position of the person concerned. Where there are 150 or 200 farmers associated with the mill, each of those persons, exercising the right given under this measure, will be able to go into the mill and obtain information. They will also be able to go into each other's house for the purpose of obtaining the information. Wherein is the secrecy under such conditions?

With regard to appeals, a change is made in the Act. At present ten persons in some cases can ask for an appeal. The Minister pointed out that there are some mills where the number of suppliers does not exceed twenty, and that under those circumstances it might be advisable to provide that one-third of the number should be entitled to ask for a board. I do not see why this well-defined principle should not obtain throughout the whole business. If the Minister thinks that one-third is too much, why not make it one-fourth of the approved suppliers in cases where there are a large number of suppliers?

The SECRETARY FOR AGRICULTURE: We are amending that in Committee.

HON. J. TOLMIE: Well, I will not deal with this matter any further at present. The Minister stated that the present Act is ineffective. No doubt it is ineffective in many ways. It has been an experiment, and it has proved a failure. Those engaged in the sugar industry decline to exercise the powers conferred upon them.

The SECRETARY FOR AGRICULTURE: They would not like to have it repealed.

HON. J. TOLMIE: You can quite understand that if this Bill appealed to the common sense of the growers in any way there would be no necessity to take the action that has been taken by the Minister in regard to that to-night. The local boards, we are told, refused to act. Surely, if they declined to act, they ought to be in a position to take up that attitude, and there ought to be no compulsion on the boards in this direction. There ought not to be the interference with liberty which is taking place under the conditions laid down by the Minister. Here are 200 growers in a district; they say their conditions are ideal, or, at any rate, quite satisfactory, and they have no desire to make any alteration in their present condition. But the Minister comes along—I would not describe him as a serpent penetrating into Eden—but he comes along into a district where there is complete harmony, and insists on forming a board.

The SECRETARY FOR AGRICULTURE: That is nonsense.

HON. J. TOLMIE: I know it is nonsense to ask the people to do such a thing, but

the hon. gentleman is providing legislation to empower him to do it, and when he sees it in cold type he will realise it is nonsense. I quite agree with him in that sentiment.

The SECRETARY FOR AGRICULTURE: What you say about it is nonsense.

HON. J. TOLMIE: Why should not the principle of majority prevail in this respect as in others? If the Minister believes in that principle—and we all believe in it—why should he not allow the majority in a district to decide as to whether they want a cane price board or not? But whether they want it or not the Minister comes down and issues the instructions that a board must be formed, and formed it is accordingly.

The SECRETARY FOR AGRICULTURE: That is not so.

HON. J. TOLMIE: Then I come to deal with another important matter in this measure—a principle that is subversive to good government, at any rate subversive to the functions of Parliament. It is a principle which, I regret to say, the present Government are introducing to an abnormal extent in the legislation they pass. I quite conceive that the power of regulation should be given to Ministers in order to carry out the provisions of a Bill, but the power to make regulations should not be a dominant power in the hands of the Minister. Unfortunately, it is tending in that direction. Ministers, instead of putting into an Act what ought to be put there, are taking to themselves the right to make regulations which override the will of Parliament in many respects. Parliament is being out-legislated by Ministers in their power to make regulations. If the country is going to be governed by regulations or Orders in Council, then we are being reduced to the position of a Crown colony. Now, I ask you, Mr. Speaker, is it a right thing, with a self-governing State such as Queensland is, that Parliament should subvert its rights, which undoubtedly exist, and hand them over to any Government—I do not say this Government, but I say any Government that may be sitting on the Treasury benches? It should be laid down as a fundamental principle that legislation should be passed in this House to enable the will of Parliament to be expressed in the way it desires, and it should not hand over to any Minister, or body of Ministers, power to give expression to the will of Parliament in that particular way they like. However, we have got into that bad practice, and having done so it is right we should take stock of the position and try to return to saner methods.

I intend to deal with only one more principle in this measure, and that is clause 18. It seems to me that the measure is very obscure there. I gather it is introduced for the purpose of taking away from individuals rights which they possess. Certain awards have been made, and certain awards are in course of being made—that is, the matters are at the present time before the court—but this Bill comes along, and it is questionable, to my mind at any rate, whether it does not override the action that is taking place at the present time, that prevents those awards coming into operation, and prevents the courts going on with the making of awards that they are dealing with at the present time. If it prevents action in that connection, then I say the clause requires amendment. Possibly the Minister will be able to give us an assurance later on, when we get into Committee, because the point is bound to be raised. He may not be in a position to give that information to-night, because, notwithstanding the fact that he has read the Bill—and I believe he has read it several times—still there are meanings that can be read into words that, perhaps, one mind can see and another cannot appreciate; and it is only when a matter is brought clearly before an individual that the other meaning may enter into his mind; and possibly the Minister may be able to give us the information we seek in this direction. I do not propose to deal any further with the measure to-night. As I pointed out, it is legislation that has failed. The principal Act has failed in the past.

The SECRETARY FOR AGRICULTURE: It has been wholly successful.

HON. J. TOLMIE: And the amendments are considered by the Minister himself to be largely experimental, and they will be just as effective as the principal Act, and that is they will be absolutely non-effective.

Mr. CARTER (*Port Curtis*): I am very pleased to see this amending Bill, because it serves, by removing some of the defects, to strengthen a very good measure. My own observations in the district I represent have led me to see the necessity particularly of one amendment, and that is the amendment with regard to the number who are permitted to apply for a local board. Hitherto less than twenty could not apply for a local board. In my own district there are several little mills, and, unfortunately, two of those mills have been unable to reach the advantages of a local sugar-cane prices board. The growers supplying to each of those mills, because of that, are receiving a much lower price for cane than any others in the district. At one mill—Miara Sugar Mill—where the cane has a higher percentage of sugar than perhaps any other plantation in the Bundaberg district, they are receiving as low as £1 per ton for their cane. Last year, I think, they succeeded in getting from £1 1s. to £1 2s. per ton, and on that they were induced to plant more cane, believing they would get that price, but they are now getting only £1 per ton. Those people have been very desirous of coming under the advantages of a local cane prices board, and this Bill will give them that very necessary power. That, together with the many advantages in the Bill, will give a very great benefit to the district. I think the hon. member for Carnarvon said that tinkering with the sugar business would soon drive it out of Queensland; but only the other day I received a letter from a sugar farmer in the Woongarra scrub, who, I think, has 50 acres of cane, and in that letter he told me the Dickson award would make very little difference to the farmers in that district. He said he hoped the price of cane would not reach higher than £1 7s. 6d., because if it did it would be an inducement for the big millers to crush the small growers out, and form big plantations. I am satisfied that with a useful measure like the amended Act and other legislation dealing with the sugar industry, the industry is far from being one that is going out of commission, and, therefore, I have much pleasure in supporting the Bill.

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

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

CONSTITUTION ACT OF 1867 AMENDMENT BILL.

INITIATION IN COMMITTEE.

The PREMIER, in moving—

"That it is desirable that a Bill be introduced to further amend the Constitution Act of 1867 by disqualifying for membership of Parliament persons who are directors or attorneys of, or solicitors for, monopoly companies or alien companies,"

said: There was considerable discussion on the motion to go into Committee, and therefore he did not intend at this stage to add anything to what he said when moving that motion. There would be a further opportunity of discussing the Bill at its second reading.

Mr. VOWLES (*Dalby*) said it appeared to him it was altogether unnecessary that legislation of this kind should be introduced. They discussed the matter pretty thoroughly on a previous occasion, and he did not think the Premier gave any valid reason for altering the Constitution. Dealing with the Constitution was a matter that they should enter upon with all care and seriousness—when they started to undo that which had been on the statute-book since 1867, which was the basis and the foundation of their whole law, and the whole of society. Just because it apparently suited the whim of the Premier, they were told that the present Government were going to carry out the wishes of the people, to carry into effect the whole of their platform as enunciated by the Premier at Barcaldine at the last general election. He thought that if they analysed that platform they would find no suggestion of legislation such as this in it. The Hon. the Premier told them it had been his intention for some time to bring in legislation of this kind, more particularly dealing with alien companies. If he were genuine in his intention of doing that, then he ought to confine the measure to alien companies, and not make it apply to other companies and the individuals he referred to. He had told them it had been in his mind ever since his party obtained possession of the Treasury benches, because it was a matter of urgent necessity. If that was so, it seemed a remarkable thing that they should be called upon [8.30 p.m.] to deal with it only at the tail end of the second session of that Parliament. And it was also a remarkable thing that legislation which on the face of it hit one particular member of the House should come forward immediately after a passage-at-arms between the Premier and that hon. member. It looked very much like retaliation—as if the object were not to suit the public weal but to get square with an individual. That was the impression they had on the Opposition side, and he thought it was the impression in the country. If they were going to disqualify solicitors from sitting in Parliament, why did it not include barristers, why not include every member who could come under the definition of legal practitioner? Why not strike at the very persons who might be in the position to undermine the public good? Everybody knew who the solicitor to a company was, and if he defended their interests he was out in the open, but the shareholder could appear in the House—they might be on both sides—and they did not know who they were or what their object was. And if they were going to exclude the solicitor they might exclude the public accountant, but next to the director—who also was out in the open—the person they ought to get at was the shareholder. He knew the Opposition would oppose the Bill. It was not bonâ fide, nor in the interests of the public. It was simply introduced to strike at an individual, and they were not going to stand by and allow an attempt at victimisation as long as they could help it. He sincerely hoped it would have a rough passage in the other place.

The PREMIER: You can rest assured of that. Any measure that attacks the monopolist or the capitalist is sure to have a rough passage there.

Mr. VOWLES: The hon. member was hoping that it would be wrecked, so that he could say that he had introduced it, and it had been kicked out by the Upper Chamber, and so use it for electioneering purposes. If he wanted to deal with alien companies, let him come forward straight and deal with them, and they would support him, but they were not going to tack on to something that might have merit something that had no merit at all, and which was hitting at an individual and doing injustice to an individual. The thing was wrong in principle. Legislation should not single out individuals. If they were going to single out solicitors, they should single out accountants and shareholders. They knew very well that there might be 10,000 shares in a company and there might be six holders of one share each

Mr. H. L. HARTLEY: That is exactly what is happening here—the Australian Meat Company.

Mr. VOWLES: It was regrettable that a man in the position of the Premier, a professional man, should initiate legislation casting a slur on the profession to which he belonged.

The PREMIER: This does not prevent them acting as solicitors to companies, but it prevents them from having places in Parliament.

Mr. VOWLES: Provided that the members who sat on the front Treasury benches thought fit to say that the company was a monopoly company. If he were a solicitor to a company, all hon. members on the front bench had to decide was that it was a monopoly company, and he had to resign or else cease to be a member.

The PREMIER: That is not so.

Mr. VOWLES: The hon. member said that was the principle—that the Governor in Council was to be the judge.

The PREMIER: I never said that.

Mr. VOWLES: He said it was the same principle as in the Income Tax Bill.

The PREMIER: Yes, a resolution of the Legislative Assembly.

Mr. VOWLES: Was that not the same thing? The Trades Hall had only to say that any company was a monopoly, and the resolution followed. As regards attorneys, it was necessary for men to act under power of attorney; it was a practice that had been carried on for a long time, and why should not men who were high up in commercial circles, men who had big interests to protect, represent those interests in the House just the same as hon. members who said they represented Labour came and spoke for their

supporters? If they were genuine alien companies, he would like to see them struck off their companies register; he would like to see the Federal Government take the power they had and forfeit the assets if they saw fit. But why should a man, because he was carrying on the professional or technical business, be debarred from being a member of that Chamber? If it could be shown that there had been any attempt by any professional man or director or attorney to do anything that was wrong, anything by collusion with the companies, or corruption to bring about bad legislation, there would be some justification for the motion, but there was no such suggestion. There was not even the opportunity, because if there were any desire on the part of anybody on the Opposition side, he would be absolutely helpless. The only persons who could bring about bad results were those who sat on the Treasury benches and those who supported them. He had never heard of any corruption or collusion, and therefore he saw no reason for the legislation. He intended to oppose the introduction of the Bill because, for the reasons he had given, it was highly undesirable.

Mr. MORGAN (*Murilla*): If the Premier imagined that he was going to gain any kudos from the people of Queensland in regard to this measure he was going to be very much mistaken. He had had an opportunity during the past few days of meeting people of different political opinions, and he had not met one person—although he knew many of them to be strong Labour supporters—(Government laughter)—who gave the Premier any credit for his action. They looked upon it as spite on the part of the Premier, and termed his action paltry, and said that no man holding the position of Premier should introduce a measure of this sort because certain members in this and another House had rubbed him up the wrong way. The Premier had introduced this Bill for the purpose of retaliation, and the people knew exactly what the Premier was doing. If the Premier was genuine, why did he not introduce a Bill to do away with monopolies altogether? When he was on the hustings he told the people that he was going to introduce a Bill to do away with trusts, combines, and monopolies; but evidently those organisations vanished the moment the Government came into power. If the Premier was genuine in his desire he would introduce a Bill to that effect, and then there would be no solicitors or attorneys in Queensland representing them here, because there would be no trusts, combines, and monopolies existing. Why did he not attack monopolies instead of individuals?

Mr. POLLOCK: How do you think the Upper House would treat it?

Mr. MORGAN: Never mind what the Upper House thought. The Premier professed to be a strong man, and to be prepared to stand on his own, whether he received the support of hon. members opposite or not.

Mr. H. L. HARTLEY: He stood on his own in the last campaign.

Mr. MORGAN: Yes, he would stand on his own if he possessed the backbone that Mr. Hughes did; but the Premier might be more clever than some of the leaders of the Labour party—he might be out before the time arrived to test him. He did not see any reason in preventing certain members from occupying seats in Parliament simply because they had been attorneys or solicitors of or were connected in other ways with certain companies, when nothing was done in the way of interfering with shareholders. Was there not likely to be more influence used by a man who possessed, say, one-half the shares in a monopoly combine, in order to get concessions from members of Parliament or Ministers than by a solicitor? But the Premier had not attempted to bring in a Bill to prevent shareholders of these companies from occupying a seat in the House. If there happened to be an Austrian, a Bulgarian, or a subject of any of those nations who were engaged in war with Great Britain——

The PREMIER: No alien can hold a seat in Parliament.

Mr. MORGAN: An alien who was a naturalised British subject could hold a seat in Parliament.

The SECRETARY FOR AGRICULTURE: He is not an alien then.

Mr. MORGAN: He might not be. If a company was registered in Australia, and carrying on business with the full consent of the Government, it ceased to be an alien company. At any rate, if they had an alien company in Brisbane it was only operating with the full consent of the Commonwealth Government, which was a Labour Administration, and which was, perhaps, more responsible than anyone else in allowing those companies to be formed in Queensland.

Mr. H. L. HARTLEY: It was the Denham Government which allowed them to be formed.

Mr. MORGAN: That was not so. It was Mr. Fisher's Government which gave the American Meat Company permission to erect works on the Brisbane River. If a vote was taken to-morrow as to whether that company should be allowed to operate or not, a majority of hon. members opposite would vote in favour of their being allowed to operate. They were employing large numbers of unionists, who did not consider, at any rate, that they humiliated themselves because they were working for an American company.

The CHAIRMAN: The hon. member must connect his remarks with the question.

Mr. MORGAN: He was saying that the American Meat Company, which was sanctioned by the Commonwealth Government, was giving employment to a great many men here. All those who were connected with that company, with the exception of the solicitor or attorney, might under the Bill occupy a seat in Parliament. That was so in connection with other companies. He supposed the Bill was aimed at the Brisbane Tramways Company to a certain extent as being a monopoly company. The Government were going to do wonders in connection with the Brisbane Tramways Company. Why did not they display their genius in connection with that particular company instead of introducing a measure of this sort. The Government had the power to get rid of any influence the Tramways Company possessed, and if a cancerous growth existed

there the Government could cut it right out of Queensland. Instead of introducing a Bill like that, the Premier came along with a twopenny halfpenny measure which was only brought forward to vent his spite and spleen towards some individuals who occupied seats in Parliament.

Mr. GUNN: He had not spoken at the initiatory stage of the Bill, although it was an important measure. It was a measure that ought never to have been brought before the House. He never expected to see such dirty work perpetrated in the House since he came in.

The CHAIRMAN: Order!

Mr. GUNN: He remembered many years ago, when Sir Charles Lilley was trying a criminal in Toowoomba. The criminal was charged with murder, and he was defending himself as best he could. Sir Charles Lilley said, "Well, one would think that you escaped from the Legislative Assembly." The prisoner replied, "Thank God, I have not got so low as that yet." That was what it was coming to in the Assembly. Men would not come there as they would be ashamed to do so, like they were in America.

Mr. H. L. HARTLEY: That is because of the trusts and combines there.

Mr. GUNN: Why did not the Government bring forward a measure to deal with trusts and combines, and they would then know where they were. This measure was brought forward to deal with Thynne and Macartney. A leading article in the "Daily Standard" mentioned Messrs. Thynne and Macartney's names, and said they were the solicitors for the Tramways Company. The shareholders of the Tramways Company were Britishers, although the manager might be an American. The shares were held in Queensland and in Great Britain. No one need be ashamed of being solicitor to that company, and if he (Mr. Gunn) had the ability he would not mind being solicitor himself. Then it was that those solicitors represented the meat company. The Federal Government allowed the company to start here, and gave them permission to erect a works down the river. Surely to goodness if a company were allowed to come here they could employ some solicitor. If Messrs. Thynne and Macartney were not employed then somebody else would be, so what was the difference. Perhaps the Premier was jealous because he did not get the position himself. They knew that the cuttlefish exuded an inky substance so that it could escape and no one could see what it was doing. That was just what this Ministry were doing in connection with the introduction of the Bill. They were throwing so much mud about that no one would be able to see what they were doing. He never thought he would be in the House that long that he would see such a disreputable measure as that brought forward. He hoped it would never become law.

Mr. GRAYSON (*Cunningham*): He had given the measure careful consideration since its introduction, and he never remembered seeing a more spiteful or vindictive measure tabled in the House during his existence in Parliament. They knew that the Premier and the hon. member for Toowong had some serious differences of opinion in the House, but that was no reason why the measure should be introduced. They knew that twenty-five years ago two political giants in the persons of Sir Thomas McIlwraith and Sir Samuel Griffith were greatly opposed to one another, yet eventually they coalesced and formed a strong Government to carry on the business of the country. He would not be the least surprised to find the Premier and the hon. member for Toowong coalescing and forming a strong Government in Queensland. (Laughter.) This was not the Premier's Bill. If the Premier had his own free will he would never introduce such a Bill. He would never stoop so low to do it. He had too high an opinion of the Premier to think that he would introduce such a Bill himself. There were two or three members behind the Premier who were pushing the Bill through because of their personal spleen against the hon. member for Toowong. He (Mr. Grayson) had known the hon. member for Toowong, Mr. Macartney, for thirty years, and he could say that no one had had a more honourable career, political or professional, than the hon. member for Toowong. He had just come back from the Downs, and he had heard many men express the view that they were surprised that the Premier introduced such a measure, as it was only done to deprive the House and the country of the energy and ability of the hon. member for Toowong. For what reason? Because he happened to be a member of a firm of solicitors in Brisbane who were attorneys for two large companies—the American Meat Company and the Brisbane Tramways Company. The whole thing was a mere sham. It was nothing more than fireworks, because the Premier knew perfectly well that he had no hope in the wide world of placing the measure on the statute-book.

Mr. COLLINS: Why?

Mr. GRAYSON: The Premier had no hope whatever of getting the measure through, and he was being pushed by the caucus that passed the Bill. The Premier would not deny that he had been pushed by the caucus to introduce this Bill. The hon. member for Toowong and he (Mr. Grayson) had differed materially in politics in that House, but he looked upon the hon. member as the pink of honour. The hon. member for Toowong had led an honourable career as a solicitor and public man, and the firm of Thynne and Macartney had had an honourable career as solicitors.

Mr. CARTER: And you think he ought to be passed out?

Mr. GRAYSON: Could anyone compare the interjector with the hon. member for Toowong? The thing would be too ridiculous. He believed he was correct in saying that no measure of such a vindictive nature had ever been introduced into any Legislative Assembly in Australia, and the Premier ought to be ashamed of himself for introducing such a measure. This was a time to speak strongly (Government laughter). He would certainly oppose the measure, and would do his utmost to defeat it. If the Premier had met some of his loyal and staunch supporters on the Darling Downs, and had conversed with them about this matter, he would have had a very different opinion with regard to the Bill.

The SECRETARY FOR PUBLIC LANDS: Supporters of the Premier in your electorate.

Mr. GRAYSON: He had no hesitation in saying that he had the confidence of his electors much more than the hon. member for Maranoa had the confidence of his electors.

The SECRETARY FOR PUBLIC LANDS: Somebody has been pulling your leg.

The CHAIRMAN: Order!

Mr. GRAYSON: He did not wish to disobey the Chair, but the hon. member for Maranoa was continually interjecting, and he was impelled to give the hon. gentleman a reply to his interjections. The hon. gentleman seemed to have got the ear of the "Daily Mail."

The CHAIRMAN: Order!

Mr. GRAYSON: How the hon. gentleman had got the ear of the "Daily Mail" he did not know, but that journal was booming him for a certain position.

The CHAIRMAN: Order! Will the hon. member connect his remarks with the question before the Committee?

Mr. GRAYSON: All he would say on that point was that he was not a candidate for the position. He entered his emphatic protest against this measure, and regarded it as nothing short of pure fireworks. The Premier had been driven by the caucus to introduce the measure. (Government laughter.) If the hon. member for Maranoa had half the respect in the country that his leader might have he might laugh—(Government laughter)—but he never would have that respect.

The CHAIRMAN: Order!

Mr. GRAYSON: He was quite in order in the remarks he was making. (Government laughter.) However, he would say that on no Bill that had been before the House had he felt so strongly as he did with regard to this particular measure. The hon. member for Toowong made a strong speech in answer to a certain speech that was made by a Minister some six weeks ago. Was that the reason that it was proposed to introduce this Bill? He should like to ask the Minister to whom the hon. member for Toowong replied to say if he had not had a hand in compelling the Premier to introduce this Bill.

Hon. J. A. FIHELLY: The Trades Hall did not consult me.

Mr. GRAYSON: There was no man in Queensland who was held in higher esteem than the hon. member for Toowong. Yet the aim of this Bill was to exclude the hon. member from a seat in that House. They all knew the career of the hon. member for Toowong as a public man. He had been a member of the Assembly for sixteen years. He had been member for Toowong for about seventeen years.

Hon. J. A. FIHELLY: He was out for some time.

Mr. GRAYSON: He would explain that. The hon. member for Toowong was elected in 1900. He had represented Toowong for six years.

The CHAIRMAN: Order! I hope the hon. member will connect his remarks with the question before the Committee.

Mr. GRAYSON: He was speaking about the career of the hon. member for Toowong, and this measure was aimed at that hon. member. The Assistant Minister for Justice interjected that the hon. member for Toowong was defeated on one occasion. What was the reason? The hon. member left on a trip for England, and while he was absent a general election took place, and that was the reason why he was defeated. There was another matter he would like to refer to in reference to the hon. member for Toowong. They all knew he was Minister for Lands in the Denham Government.

The bell indicated that portion of the hon. member's time had expired.

Mr. GRAYSON: He would take another five minutes. When the hon. member for Toowong was Minister for Lands——

The CHAIRMAN: Order! I must call the hon. member to order. I cannot see what the hon. member for Toowong, in his administration of the Lands Department, has to do with the question before the Committee. I ask the hon. member to confine himself to the desirability of introducing the Bill referred to in the motion before the Committee.

Mr. GRAYSON: There was a leading article in the "Daily Standard" which stated that the Bill was aimed particularly at the hon. member for Toowong. Hon. members opposite must admit that the "Daily Standard" was the Ministerial organ, and in a leading article which he thought appeared in last Thursday's issue it stated emphatically that the Bill was aimed at the hon. member for Toowong. When he was Minister for Lands in the Denham Government, the hon. member for Toowong resigned his position because he considered that a leading public officer of the State was not getting justice from the then Home Secretary. With the exception of the Premier was there a single Minister who would resign in defence of a public servant? He would certainly oppose the Bill in every way he could. It was introduced out of pure spite and vindictiveness on the part of the Government.

Mr. McPHAIL (*Windsor*): He thought members on the opposite side had lost sight of the question before the Committee, which was the desirableness of introducing a Bill to further amend the Constitution Act by disqualifying for membership of Parliament persons who were directors or attorneys, etc. The debate so far had taken the tone of a defence of one particular firm. No names were mentioned in the Bill, and the statement that the measure was simply brought in for the purpose of making an attack on one firm in Brisbane had not yet been proved by the arguments of the Opposition. In the Hon. the Premier's speech there was no mention of any particular individual. Hon. members on the Opposition side took other countries as examples, and one hon. member stated that in the American Parliament men did not care to sit because of the corruption there. That was evidence for the need of a measure in a young country like Queensland to prevent corrupt methods being introduced, and this Bill provided the means whereby such a state of things could not take place. It seemed to him a very poor argument that the measure was aimed at one or two particular individuals. The necessity

for the introduction of the measure was to prevent the possibility of a firm, as was the case in America, getting their representatives into Parliament to engineer the Government for the purpose of making arrangements in aid of their own companies. In this week's "Bulletin" there was an article which dealt with the question very ably. It said—

> "When war and drought bumped Australia about the same time, attention was diverted from the American Beef Trust. Prior to the drought its operations in the Commonwealth aroused alarm and suspicion; since then it has been almost forgotten that the trust is still here and steadily throwing its tentacles around the livestock business."

Further down it said—

> "M. A. Elliott, of Palmerston North, is an active party in the movement in the Dominion, and is being strongly supported by the Auckland Farmers' Freezing Company. According to this, the trust owns or controls at least four of the freezing works in the Dominion, and is endeavouring to secure others, while it is generally believed that one of the biggest works recently erected was built with money supplied by the trust."

Then it went on to say—

> "It has secured huge tracts of country in Northern Australia, is alleged to have purchased some of the old-established meat works, and has erected some of the finest works in the Commonwealth. Before the drought deranged things its activities were noticeable throughout Queensland and New South Wales despite elaborate steps to secure secrecy."

It said further down—

> "Australia and Maoriland are facing a common menace which is always busy and should not be overlooked, war or no war."

There was the evidence that there was an alien company in Australia striving to take full possession of the meat industry, and they would be quite prepared to get their helpers into Parliament so as to try to mould the opinion there in the direction of their company. He said the Bill was perfectly justified if only for that reason. It was stated on the Opposition side that it had been brought in by the Premier as the result of the younger brigade of the Labour party urging him on. As a party they were united in their action, and when the Premier introduced the motion he did not do so for his own benefit, but as the mouthpiece of the party.

Hon. W. D. ARMSTRONG: What about the 6 o'clock closing?

Mr. McPHAIL: If the hon. member were as sincere about other things as he appeared to be about 6 o'clock, it might be a good thing for the House. In any case, the hon. member's opinion did not count at any time. He (Mr. McPhail) maintained that the introduction of the measure would prevent alien companies getting into the House for the purpose of furthering their own private ends. They had the spectacle in the Upper House of interests, and interests only, being looked after. It was not the people's interests that the majority of those up there looked after, but it was the interests of different companies—monopolies if they liked to call them—that they were engaged in. Even if it did not meet with the approval of the Opposition and did not meet with the approval of companies outside, it was the right thing in the interests of the people to see that political life was kept pure and that no domination took place, and no methods adopted which would bring the Queensland Parliament to the condition which they were told obtained in America, where trusts and combines moulded the opinions and individuals simply voted in the interests of big corporations. The motion was a simple one to pass machinery which was intended to prevent corruption entering into political life.

Mr. MURPHY (*Burke*): The hon. member for Windsor must indeed be a very innocent young man if he imagined for a moment that the motion was going to in any way interfere with trusts and combines. The hon. member read a criticism of the Sydney "Bulletin" upon the meat trust in Queensland and New Zealand. Was it not desirable, if such be the case, that the Government should come down with legislation to wipe out trusts and combines? The Labour party had been in full and complete control of the National Parliament of Australia for quite a number of years, and one would imagine that that party would have been able to pass legislation that would have effectively dealt with trusts and combines. The hon. member then referred to the Legislative Council. The present Government was in a position to deal with the Legislative Council. It was the one Government in Australia which had power to deal with the Legislative Council, because on the statute-book there was a measure that would enable them to submit the matter to the people and let the people decide whether the Legislative Council should cease to exist. As far as the firm of Thynne and Macartney was concerned, it was a matter of perfect indifference to him whether the member for Toowong was in Parliament or out of Parliament. That was a matter for the electors of Toowong. If they liked to return that hon. member as their representative, knowing that his firm were the solicitors of the Brisbane Tramways Company and the American Meat Company, that was their lookout. It was no good imagining for a moment that if they passed the Bill it was going to have the slightest effect in preventing trusts and combines. There was only one method of dealing with those people, and that was by the direct method of passing legislation to deal with trusts and combines and monopolies as was done in New Zealand. In New Zealand the Colonial Sugar Refining Company, under that Act, was fined pretty heavily in connection with sugar matters. He did not know how the people outside might look at the motion, but he thought it was certainly beneath any one dealing with it seriously. It would be far better for the time of the House to be spent in putting through legislation that would effectively deal with trusts and combines.

Mr. COLLINS: Do you think the Legislative Council would pass it?

Mr. MURPHY: If the Legislative Council would not pass legislation dealing with trusts and combines, then why waste the time of the House in putting through a Bill to deal with Messrs. Thynne and Macartney. Did the hon. member imagine that such a Bill would pass the Legislative Council? It was

absolutely pure fireworks, and he would not bother himself voting for the proposal. A Government that was particularly anxious to carry out its promises to the people with regard to trusts and combines would introduce legislation specifically dealing with the question, and if the Government had not the power to introduce legislation of that nature, it ought to be frank enough to say so.

The PREMIER: Was not the Meatworks Bill introduced for that purpose?

Mr. MURPHY: No. The Meatworks Bill followed on a measure that was placed upon the statute-book by the previous Administration. The Premier would be better employed in trying to induce the people of Queensland to get behind him and wipe out the Legislative Council, if, as he asserted, it was opposed to all democratic legislation. If the public were suffering so intensely from the effects of trusts and combines, the party which was sitting on the Treasury benches should be making every possible effort to relieve them of that iniquity. The proposal submitted by the Premier was not going to help the public at all. The fact that a director of a monopoly or alien company should not be permitted to take a seat in Parliament was not going to free Australia from the work of trusts and combines, [9.30 p.m.] which were alleged to be doing such awful damage here. In America all railway works were carried out by private enterprise, and most of the lobbying in that country was in connection with railway proposals. In Australia the State carried out those enterprises, and that probably accounted, to a large extent, for the fact that lobbying did not exist to any extent in Australia. He was not going to argue that there had not been occasions in Australia when there had been some funny work done. There had been occasions in the political history of Australia when some members of Parliament and some members of Cabinets had been proved to be guilty of corruption.

Mr. FORSYTH: The hon. member for Windsor stated that no particular firm had been mentioned in connection with the motion, and yet in the "Daily Standard" of the 16th November he found the following paragraph:—

> "Said the Premier, Mr. Ryan, who himself is a barrister, in the Legislative Assembly last week:—I am saying what I believe. They (Thynne and Macartney) are the solicitors for the American Meat Company; they were the solicitors in connection with the passing of the Chillagoe Private Railway Act, with regard to the Etheridge Railway, with regard to the Mount Mulligan Railway, with regard to the Mount Elliott Railway, with regard to Mount Cuthbert, with regard to the Brisbane Tramways Company, and with regard to corporations which have business immediately affecting this House, and who require certain things to be done by the Government. (Hear, hear!) I have had experience myself since I have been in office, and I know what previous Governments have found—that unless you give way to what they want—well, you will be attacked on something else. (Hear, hear!) A kind of political blackmail is carried on in order to try and force the demands these people make. (Government Members: Hear, hear!)"

At the end it said—

> "It may be hopeless to expect such legislation with the Legislative Council in existence, but at least it will fix the idea in the public mind."

The hon. member for Windsor could see there the name of Thynne and Macartney, and therefore his arguments amounted to nothing.

Mr. MCPHAIL: Because your people were fitting the cap.

Mr. FORSYTH: It was mentioned in their own paper. Where were the monopolies? The American Meat Company was supposed to be a monopoly. Was it a monopoly?

Mr. H. L. HARTLEY: Yes. I quoted the share list for you.

Mr. FORSYTH: The hon. member did not know very much, and so far as the American companies were concerned he did not think he knew even that. These companies were simply in competition with others all over Australia.

Mr. H. L. HARTLEY: Where is there a bigger company than Swift and Co. and Armour and Co.?

Mr. FORSYTH: He was speaking about Queensland, and he knew there was a very much larger company than that up here. What was the object of introducing the Bill?

The PREMIER: Are there not more than two hon. members covered by the Bill? Did you not think you were included at the start?

Mr. FORSYTH: Probably his name was in the mind of the hon. member, but whether it was or not the hon. member did not cause him one single brass farthing's worth of thought. He did not care whether he was out of Parliament or not; perhaps he would be better out. Why should not professional men do business for companies, monopoly or any other companies, when they were offered it? It had been said that there was blackmail. If there was any proof of it let them have it. The Premier was talking about selling meat to America and getting steamers to come here to assist Queensland in developing. He was willing to do that, but he was not willing to allow an agent or a director or an attorney for the company to have a seat in the House. Everybody knew exactly what it meant, and the hon. member knew what would happen. The "Daily Standard" said that the Upper House would not even give it breathing space, and that he presumed would happen—they would chuck it out as soon as it was produced.

The hon. member for Windsor talked about America. They knew there had been a good deal of trouble in connection with matters of this sort in America. As a matter of fact, however, every one who spoke upon the Government side stated that Australian politics were pure, and if so what was the good of introducing the Bill? Hon. members opposite said in case it might happen. It would be time enough to discuss it when it did happen. They had been under responsible government for about fifty solid years, and he had never heard of blackmail or any company coming to any member of Parliament and trying to force the hand of the Government. He sincerely trusted it would be knocked out, because it was a Bill no decent Government would introduce.

HON. J. TOLMIE: If the object of the measure was to remove trusts from Queensland, he thought it signally failed. It was said that it was desirable to prevent certain attorneys, solicitors, or directors from having seats in the House. All those gentlemen had to do was to cease being members of either Chamber, and they could conduct their business, and the monopoly would go on all the same.

The PREMIER: They could not take part in making the laws. Can you imagine a director of a monopoly passing a law to wipe it out?

HON. J. TOLMIE: He understood that the purpose of the Bill was to do away with monopolies in Queensland.

Mr. FOLEY: You know better than that.

HON. J. TOLMIE: If that was not the object, there must be a personal issue, it must have arisen out of personal spleen. Surely they were not going to pass legislation of that kind! They might extend the provisions of the Bill. Take a man who was at the very top of his profession at the bar. He might be a member of the House. If he was taking practice from companies of that kind he might be advocating the rights of alien and monopoly companies time after time.

The PREMIER: We should not give him a chance of advocating them here.

HON. J. TOLMIE: Probably from his knowledge of companies he might come to the conclusion that it was reasonable to support measures that came forward, and could they charge him with being associated with alien and monopoly companies? If persons were to be charged with ulterior motives because they advocated certain legislation in this Chamber then it was desirable that all persons in any way associated with companies doing that kind of business should be prevented from coming here, more particularly shareholders who had been mentioned. Hon. members on the other side would say they were opposed to syndicates, and yet they were endeavouring to establish syndicates and had made agreements with them. They could place copies of agreements on the table.

The HOME SECRETARY interjected.

HON. J. TOLMIE: He made no reference to names, and the hon. gentleman could fit the cap if he liked on any person.

The HOME SECRETARY: Not between himself and Japanese.

HON. J. TOLMIE: He had introduced no person's name.

The HOME SECRETARY: But I did, because I thought you were referring to it.

HON. J. TOLMIE: He only made a general charge. He had seen agreements which hon. members opposite were participating in. Would hon. members opposite say that it was a reasonable thing to exclude those hon. members from the Chamber? Yet it would be on a par with what was being done now. The persons he had associated with since the motion was introduced showed that it had become the laughing-stock of the people of Queensland. The general public saw through it all, and understood what the motives behind this legislation were, and if hon. members opposite knew that people made it the subject of merriment at the breakfast and dinner table they would have contributed to the pleasures of the people of the State.

[*Hon. J. Tolmie.*

Question put; and the Committee divided:—

AYES, 39.

Mr. Armfield	Mr. Larcombe
,, Barber	,, Lennon
,, Carter	,, Lloyd
,, Collins	,, May
,, Cooper	,, McLachlan
,, Coyne	,, McPhail
,, Dunstan	,, O'Sullivan
,, Fihelly	,, Payne
,, Foley	,, Peterson
,, Free	,, Pollock
,, Gilday	,, Ryan, D.
,, Gledson	,, Ryan, H. J.
,, Hardacre	,, Ryan, T. J.
,, Hartley, H. L.	,, Smith
,, Hartley, W.	,, Stopford
,, Hunter	,, Theodore
,, Huxham	,, Wellington
,, Jones, T. L.	,, Wilson
,, Kirwan	,, Winstanley
,, Land	

Tellers: Mr. Larcombe and Mr. McPhail.

NOES, 16

Mr. Barnes	Mr. Morgan
,, Bridges	,, Murphy
,, Forsyth	,, Petrie
,, Grayson	,, Roberts
,, Gunn	,, Somerset
,, Hodge	,, Swayne
,, Macartney	,, Tolmie
,, Moore	,, Vowles

Tellers: Mr. Murphy and Mr. Petrie.

Resolved in the affirmative.

The House resumed. The CHAIRMAN reported the resolution to the House, and the resolution was agreed to.

FIRST READING.

The Bill was presented and read a first time, and the second reading made an Order of the Day for to-morrow.

TRAFFIC ACT AMENDMENT BILL.

INITIATION IN COMMITTEE.

(*Mr. W. Bertram, Maree, in the chair.*)

The HOME SECRETARY (Hon. J. Huxham, *Buranda*) in moving—

> "That it is desirable that a Bill be introduced to further amend the Traffic Act of 1905 in certain particulars,"

said that the Bill dealt with two items in connection with brakes. One amendment dealt with the noisy brakes so common in the streets of Brisbane, and the other amendment dealt with unsafe brakes. The leader of the Opposition seemed to think it was a trifling Bill, but the Mayor of Brisbane, and leading merchants in Brisbane, had waited on him as a deputation, asking for the legislation.

Hon. J. TOLMIE: I will not take you to task this time.

The HOME SECRETARY: Will you let it go?

Hon. J. TOLMIE: Yes.

Question put and passed.

The House resumed. The CHAIRMAN reported that the Committee had come to a resolution. The report was agreed to.

FIRST READING.

The Bill was read a first time, the second reading being made an Order of the Day for to-morrow.

The House adjourned at five minutes to 10 o'clock.