

Queensland



Parliamentary Debates  
[Hansard]

**Legislative Assembly**

**TUESDAY, 23 OCTOBER 1917**

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## STATE IRON AND STEEL WORKS BILL.

## SECOND READING.

The PREMIER (Hon. T. J. Ryan, *Barcoo*): I have much pleasure in moving that this Bill be now read a second time. In moving the second reading of the Bill, I regret that the measure has not been received in the way that such a measure ought to have been received by both sides of the House. (Hear, hear!) Certainly, there were some hon. members opposite who gave the measure their blessing, but the leader of the Opposition, speaking, no doubt, on behalf of the party that he represents, did not by any means welcome the measure as I thought he would have done. He said there was no substantial business for the State in this measure. He also said that if it were passed and the Government attempted to put the legislation into operation it would only place more burdens upon the people, who are overburdened at the present time. He also said that the measure foreshadowed was introduced merely for the purpose of misleading the electors as to the capacity of the Government. That is not the manner in which I would have expected an important measure of this sort to be received by the leader of the Opposition, speaking, no doubt, on behalf of the great majority of his party. Certainly, there were exceptions, and I am glad there were, because it is comforting to know that a measure of such importance as this is being received by some hon. members opposite in the way it should be received. The Government's policy in regard to this matter was laid down in the policy speech delivered at Barcaldine, and it was also foreshadowed in the Governor's Speech at the beginning of this session. (Hear, hear!) I think in time to come that the people of Queensland will have cause to be grateful to the Parliament that passed this measure, because, no doubt, it will be epoch-making in the history of this State, and I believe, and hope, in the history of Australia, because there is no greater, or more important industry that could be established in a country which has resources such as we have than an iron and steel industry. We must not forget to learn the lessons of the war, and we have to learn from that that countries must be self-contained.

Hon. J. TOLMIE: What about the 48,000 tons of copper?

The PREMIER: If the hon. gentleman does not wish to treat a matter of this sort seriously, that is his own affair, but I am satisfied that the people of Queensland will treat it seriously. (Hear, hear!)

Mr. MACARTNEY: The difficulty is in treating you seriously.

The PREMIER: I believe the world's requirements of pig iron, taking 1911 as an example, is 63,000,000 tons. Of that quantity the United States produces 24,000,000 tons, Germany 15,000,000 tons, the United Kingdom 9,000,000 tons, and the balance by other countries of the world. Australia produces an infinitesimal quantity. It was only after the civil war in the United States that a very great increase took place there in the production of iron and steel. I have just taken out a few figures by way of illustration of the great success that has attended the establishment of the iron and steel industry in the United States of America, from the establishment of which a great measure

## LEGISLATIVE ASSEMBLY.

TUESDAY, 23 OCTOBER, 1917.

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

## PAPERS.

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

Regulations under the Slaughtering Act of 1898.

Report of the Department of Public Works for the year ended on 30th June, 1917.

Report of the Director of Labour and Chief Inspector of Factories and Shops for the year ended on 30th June, 1917.

## QUESTION.

## ALLEGATIONS AGAINST LAND COURT BY MINISTER.

Mr. MORGAN (*Murilla*) [referring to a question standing in his name relating to a letter alleged to have been written by the Secretary for Lands to the hon. member for Balonne (Mr. Land)], said: As it is intended that the matter in question should be left entirely to the Minister for Lands and the Land Court, I desire to withdraw the question for the present.

[*Hon. A. J. Jones.*]

of their prosperity is due. In 1810 the United States made about 7 per cent. of the world's production of pig iron. In 1860 it was not far from 10 per cent. After the close of the civil war the production increased by leaps and bounds, till in 1907 it formed 43 per cent. of the world's production. The corresponding changes in the case of steel are even more striking. The United States production in 1907 was 1,714 times that of 1865, and the proportion which it formed of the world's steel rose from 3 per cent. in 1865 to 46 per cent. in 1907. Now, we have in that an example of the great progress that has been made in the industry. Why should we in Queensland, and in Australia, with resources equal, if not greater than the United States, not make similar progress? It is certain that if we set about the matter half-heartedly, and if we set out with the idea that we are going to fail, well that failure may be our lot, but with the great resources we have, and with that example before us, we should set out with one determination that we are going to make a success of the business. (Hear, hear!) We must have no such thing in our vocabulary as "It cannot be done." It can be done, it must be done, and I think I am safe in saying that it will be done, and it will become a success. (Hear, hear!) We have in Queensland all the necessary materials for the establishment of iron and steel works, and we have in Australia the necessary market, because in Australia, taking the year 1915-16, I find that the value of imports involving iron and steel amounted to no less a sum than £14,000,000. Into Queensland alone was imported goods involving iron and steel to the value of £2,286,000, consisting of the following:—Hardware and ironmongery, £515,000; iron and steel (including rails, wire, pipe, wire netting, etc.), £1,063,000; machinery, vehicles, motors, etc., £708,000; total, £2,286,000. As regards the material deposits of iron ore and other material necessary for the manufacture of pig iron and for the manufacture of steel, we know that there are important deposits near Cloncurry. In the Chillagoe district there is an extensive deposit of ironstone at Mount Lucy described as an enormous outcrop of exceedingly pure haematite; there is a large deposit at Wild River, Herberton district, also numerous deposits in the Cook-ton region.

Other deposits occur in the Rockhampton district, and the Gladstone region, magnetic iron of considerable extent occurring at Glassford Creek, and the region to the northwards towards Callide.

In the Maryborough district a deposit of magnetic iron ore of high purity occurs at the Mount Biggenden mine, 5 miles from Biggenden. This deposit has already been proved to a depth of 240 feet and a width of from 40 to 80 feet over a length of some six chains, and a recent exhaustive examination of this property by Mr. Saint-Smith, Government Geologist, shows that on a very conservative estimate there are well over 500,000 tons of high grade ore available here, with the practical certainty of proving the existence of a much greater tonnage as the deposit becomes opened up by quarrying. The most abundant mineral present with the magnetite is calcite (carbonate of lime), and seeing that limestone is required as flux in the smelting of iron ore, the presence of this material through the ore bodies is of the

greatest economic advantage. Actually adjoining the iron lodes is a belt of limestone, which latter can be very cheaply obtained from the same open cut which is proposed to be started on the ironstone. Over 20,000 tons of excellent magnetite is immediately available for smelting here. Smelting tests have lately been carried out on this ore, and the results obtained have been eminently satisfactory, the pig iron made being of the best quality and exhibiting a very satisfactory breaking strain—estimated at, roughly, twice that stipulated by the water and sewerage board for water pipes.

In the Southern portion of this State there are several ironstone deposits known within easy distance of Ipswich, at Pine Mountain, while in the Warwick district deposits are known near Warwick, Pittsworth, Texas, etc.

Queensland undoubtedly possesses, as is well known, abundant deposits of suitable coking coal and limestone in each of the Northern, Central, and Southern districts.

With regard to the materials necessary for the production of steel, this State is unrivalled in the Commonwealth, Queensland being the largest producer of molybdenite in the world, besides being able to furnish ample supplies of manganese, wolfram, and chromite.

So much for the material at our disposal. There is everything there that is required in the making of iron and also in the making of steel. (Hear, hear!) Not only is it there, but it is there in large quantities.

Now, with regard to the cost of production. I find, from the figures that I have here, that the total cost of the production of pig iron, including mining, transport, and smelting, is estimated at the very outside at £5 per ton under present conditions, and in view of the fact that the current price for this material is between £11 and £12 per ton, there thus remains an ample margin of profit which would very soon recoup the necessary outlay for the erection of a fully equipped modern blast furnace with a daily output of 50 tons of pig iron.

Several tests have been made of iron which has been produced at Biggenden, and a sample bar is laid there on the table of the House if any hon. member desires to inspect it. He can also see a sample of the iron ore and a sample of the calcite which has been found at Biggenden. A bar of iron smelted from Biggenden ore was recently tested at the works of Messrs. Monteith Brothers, South Brisbane. The result of that test was very satisfactory. The official breaking strain for the Government and as used by the Water and Sewerage Board is 1,090 lb. on an inch bar. The iron smelted from Biggenden ore recorded a breaking strain at between 3,000 lb. and 3,500 lb. on the inch bar. The deflection on the iron from Biggenden before breaking was five-sixteenths of an inch in one case and eleven-thirty-seconds of an inch in three other cases. Those tests prove that the quality of the iron is excellent. The word used by the Mines Department is "superb."

Some objection has been raised by some hon. members opposite to the establishment of this industry in Queensland by reference

*Hon. T. J. Ryan.]*

to the iron and steel works which have been established by the Broken Hill Proprietary Company at Newcastle, and we were told that they had lost the sum of £200,000. I do not know how far that statement may be correct, but I do know that the Broken Hill Proprietary Company are duplicating that plant at Newcastle—which does not seem to be any indication that they regard the venture as a failure.

Hon. J. TOLMIE: They may be trying to reduce the cost.

The PREMIER: I certainly do not take that view. If it were going to be a loss, it would be far better to stop the loss than duplicate the plant. If the argument put forward by the hon. member for Murrumba and suggested by the leader of the Opposition is to carry any weight with this House, it means that those iron and steel works should be wiped out altogether, and that we should import all our material. That is a principle to which I do not subscribe, to which this party do not subscribe, and to which the people of Australia do not subscribe.

Colonel RANKIN: The abnormal cost through the war may account for that.

The PREMIER: Quite apart from the abnormal cost because of the war, with the raw material and primary products which we have in Australia, it is a most lamentable thing that we do not develop those resources and establish the works which will be established under the Bill.

Colonel RANKIN: I say that might account for the Broken Hill people duplicating their plant.

The PREMIER: I should not think so, but whether it does or not, I say that quite apart from the Broken Hill Company's experience—and I do not think it is unsatisfactory, on the other hand I think there are indications that it is to be a success—I conceive it to be our duty to develop an industry of this kind. (Hear, hear!) Here we find that prior to the war Germany was providing 15,000,000 tons of the total quantity of pig iron required by the world's markets. Now, why should not we have some of that? The hon. member for Murrumba said that before the war we could import pig iron cheaper than we could make it. But we were able to do it owing to the fact that the German Government were subsidising steamers to bring it here.

Hon. J. TOLMIE: And yet we got 81 per cent. from the old country.

The PREMIER: But we got a very considerable quantity from Germany. I have heard from travellers representing Sheffield houses that Krupps were prepared to almost give away some of their material in order to get a footing in Australia. We want to get away from that, and I can assure you, Mr. Speaker, and the people of Queensland that with the war burdens which will have to be borne by the people there is no greater probability of lightening those burdens than by the development of our primary industries, and this is one of the greatest of them. (Hear, hear!) Eventually, I verily believe, the war burden will become light owing to the fact that if we develop these primary industries we will produce wealth—because,

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after all, the wealth of a country is what it produces. If the people would only realise that very elementary thing—that the wealth of a country consists in what it produces—they would see the soundness of the policy which this Government are endeavouring to carry out in Queensland. That is the only statesmanlike manner in which a foundation can be laid whereby we will find that the burdens about to fall on the shoulders of the people will become comparatively light. I hope that hon. members will approach this important matter in the way in which it should be approached; that they will see the necessity and the utility of our developing these great primary resources, and that they will endeavour to have this Bill passed as soon as possible. I can assure you that I will be only too delighted to have the co-operation of the Opposition.

Mr. MACARTNEY: Do you really want it?

The PREMIER: Well, it is not necessary so far as the passage of the measure is concerned—we are able to pass it through this House—but still we want to see this thing a complete success, and you cannot have that complete success unless we have the whole community first of all satisfied that it is a good thing. Surely we can be all agreed that it is a good thing to develop these great natural resources that we possess.

Mr. MACARTNEY: The question is to pass this Bill.

The PREMIER: The question is to pass this Bill, because without the passage of this Bill we will not be able to start the necessary works.

Mr. MACARTNEY: You only want to read the Bill to realise that you do not want it passed.

The PREMIER: The hon. member may say that, but that is not our view. The proposal is a plain one. It is one to authorise the Government to go in for the establishment of these works, and I am quite sure that in making this proposal we have the people of Queensland behind us, and I am also satisfied that it will be a very great benefit indeed to them and to the people of Australia. I have much pleasure in moving the second reading of the Bill.

Hon. J. TOLMIE (*Toowoomba*): What is wrong with this measure that the Premier has laboured it in the way he has?

The PREMIER: I spoke for only twenty minutes on the most important Bill, perhaps, that has been before the House.

Hon. J. TOLMIE: And he has appealed to hon. members on this side to assist him in its passage. I have already indicated that we will not oppose the Bill, but he seems to think that there should be hearty co-operation on the part of hon. members on this side. As you are well aware, Mr. Speaker, we are not caucus hide-bound here. Hon. members are quite free to express their opinions. If they believe in the measure before the Chamber they will give the hon. member their support, and although many members may quite agree with the hon. member in respect of the fact that we should have secondary industries, yet they may not see the utility of the measure as proposed at the present time. The hon. member seems to think that in this measure he has the salvation not only of Queensland but of the

whole of the British Empire. He points out that if this measure be passed and the war expire a tremendous impetus is going to be given to the iron industry. He sees in his mind's eye great ironworks established throughout Queensland, shipbuilding firms coming here.

The PREMIER: I do see that.

HON. J. TOLMIE: He sees those firms coming here under the beneficent influence of the Government on the other side and establishing shipbuilding works, taking away the construction of those ships from the Mother country.

The PREMIER: Taking them from Germany.

HON. J. TOLMIE: Very much reminds me of the girl on her way to market with a basket of eggs. She thought of the price she was going to get for those eggs, and that with it she would be able to get eggs at a cheaper rate from a neighbour and raise more fowls and produce more eggs and make so much money that she would be able to get a fine new bonnet, but she did not look where she was going and she stumbled and away went the eggs and the bonnet and everything else. The hon. member says this is dependent on the high price now obtaining.

The PREMIER: I did not say that.

HON. J. TOLMIE: If the hon. member did not say it, he inferred it, and that is his customary method of giving expression to his thoughts—by inference and not by straight out expression. That is the difficulty we have in dealing with the hon. member—that we never know what his thoughts are. He would allow us to draw an inference and then come along and say he did not mean that or say that. He said that at the present time pig iron was worth £12 a ton, although before the war we could get manufactured iron at £6 per ton or less. We could get it at less than the rate he says it will take to manufacture the iron.

The objection we take to this measure is that it is going to lead at the present time to the expenditure of a sum of money that could be better utilised in other directions. When this Bill is disposed of hon. Ministers have two measures to bring before the House involving an additional taxation of 17s. per head of population, nearly 100 per cent. above what the direct taxation was when the hon. member's friends took office on the other side. Notwithstanding that he is going to screw out of the producers of the State 17s. per head in additional taxation, he asks us to pass what at the present time is practically a wild-cat scheme.

The PREMIER: This will provide the wherewithal to meet the taxation.

HON. J. TOLMIE: The hon. gentleman points out that £2,000,000 worth of iron and iron goods were introduced into Queensland in one year as portion of the £14,000,000 worth brought overseas into the Commonwealth. What does he include in that? He has included every article of ironmongery, even the very finest manufactured steel that is used in this State. Does he think that his trumpetry is going to give us all the products to enable us to manufacture all those materials?

The PREMIER: You cannot do everything in a day, you know. This is the foundation.

HON. J. TOLMIE: Is it not an attempt to throw dust in the eyes of the people when he talks about £2,000,000 worth of iron goods being imported into Queensland, and suggests that we are going to stop the introduction of those goods, and we are going to manufacture them ourselves? What is the true position? Here in the Commonwealth of Australia iron and steel works have already been established in the sister State of New South Wales, and have been unable to pay their way. Instead of being a success at the present time, they are a distinct loss to those engaged in them. In order to try

and recoup that loss they are putting more capital into their present works with the view to see if they can minimise the cost by the extra production that takes place. If they cannot make a success of the business in the sister State of New South Wales with all the facilities at their disposal and with the capital that has been employed, how can it be a success here? The capital that was put in 1915 into the Broken Hill Proprietary Works at Newcastle was £1,500,000, and the hon. gentleman told us that he proposes to start the iron and steel works here with a paltry £5,000.

The PREMIER: No. I said a blast furnace.

HON. J. TOLMIE: He told us that this would involve an expenditure of some £5,000. In New South Wales, with the population to work on and with the facility of supplying the demands and needs of the whole of Australia, they are unable to make their iron and steel works a success; then how are we going to make them a success here? We have heard this talk with regard to opening up ironworks at Biggenden, and the hon. gentleman practically read us the prospectus of a company floated here for the purpose of working the iron deposits in and around Biggenden. That is the matter that he puts before this Chamber to induce us to pass this legislation. The Bill itself is a dangerous Bill, because it includes matter that the hon. gentleman led us to expect was not there. When he asked permission to introduce the Bill we asked him if there was any sinister motive in its introduction, and he gave us the absolute assurance that there was nothing of the kind. We have been so accustomed in the legislation introduced by hon. gentlemen on the other side to look for a nigger in the wood pile that we specifically asked if that individual was to be found in this Bill, and the hon. gentleman gave us the assurance that he was not. What is the assurance of the Premier of Queensland worth when we turn to this Bill? What is it worth, as a public man, when we turn to clause 8 of this Bill and find that he is asking power, not only to deal with this particular industry, but to deal with all other classes of industry as well—not industries that are allied, but industries that are widely separated from this industry? Just as in the Sugar Acquisition Act provision is made that Mrs. Duncan's cattle in the Western districts of Queensland may be seized, so in this Bill, in clause 8, provision is made for the Government to engage in any industry that they may desire. I think it is also in the same little clause that power is taken to utilise any money that may be required for the purpose, irrespective of the control of Parliament. All that is necessary is for the Minister in charge of the Bill to say that he needs so much money for the

*Hon. J. Tolmie.*]

purpose of carrying on these works, then he can pour money into the works just like water; money that has not had the sanction of Parliament, and money, perhaps, that is drawn, as is the money for most of these enterprises, from the public trust funds—money that should be utilised only on gilt-edged securities. Is he not asking too much of our credulity when he asks us to give the Government that power, when we look at the way the Government have handled the various enterprises; when we see how they have entered into competition with those who have been endeavouring to develop our industries by private enterprise; when we find that they have destroyed those businesses that have taken half a century to build up? When we find the Government doing this in relation to other private enterprises, are we justified in giving them extended powers in the same direction? Personally, I believe in the development of every industry that it is possible to introduce in this State. I believe that we cannot have too many industries, but those industries must be built on broad and sure bases, and the only way in which they can be so built is to allow private enterprise to take the work up, and for the Government to come along and render assistance if they feel disposed so to do. Just as the Commonwealth Government for some years rendered assistance in connection with the introduction of the iron industry throughout the Commonwealth, so this Government, if it wants to build up the iron industry, can come along and by the aid of a bonus ask other persons to engage in this enterprise. But here they ask us to take up the enterprise with a population of 670,000. They ask this body of people, who have hanging over them the shadow of additional taxation of 17s. per head, to take up this burden of introducing this industry and carry it out on lines that would supply not only our own iron and steel requirements, but they hope it to be of such a magnitude that they will be able to compete with other people outside. Where have we got the people to do it? Where have we got the workmen for this industry? We have not been holding out inducements to people to come here. As a matter of fact, the inducements have been taken away from them and restrictions placed in their way. I cannot see that this Bill is going to effect any good at the present time, although as a secondary industry the time will come when iron and steel works will form an important part in the history of Queensland. But the time is not ripe. When the war is over those countries that can provide so much of the iron requirements of the world, as has been pointed out by the Premier—the United States with its vast production, Germany with its £17,000,000 worth, and Great Britain with its nearly £10,000,000 worth—will supply on much cheaper terms than it can be manufactured in Queensland.

THE PREMIER: You say Germany can supply on cheaper terms?

HON. J. TOLMIE: I say the countries of the world can supply iron, and the hon. gentleman need not try and drag me into a discussion on the introduction of German goods here. I am talking about the world's production, and I ask are we likely to be in a position to compete with the countries producing these goods with conditions of labour much more satisfactory to the pro-

duction? Does the hon. gentleman want to see engaged in this industry a class of men who have to be ground down, so far as their wages are concerned, in order that we may compete with these outside countries?

THE PREMIER: That is what you would like to see.

HON. J. TOLMIE: That is not what we would like to see.

THE PREMIER: In one breath you accuse me of paying too much in wages and in the next breath you say we want to crush people down.

HON. J. TOLMIE: I say that is the only way it can be made to pay. If you pay the standard rate of wages paid now the cost of production will be so great that it is not going to be a success. So far as the necessity of this legislation is concerned; I do not see that the necessity exists at the present time. There may be an idea in the mind of the Premier that because iron is dear just now that iron is always going to be dear. But I remember the time, and it is not so very many years ago, when we paid £6 to £6 10s. for our manufactured steel rails, not for pig iron, but for manufactured steel rails, and if it is going to cost something between £5 and £6 a ton to produce pig iron, how is the hon. gentleman going to turn out the valuable steel that is necessary for the construction of our railway works? Not at that price.

MR. BERTRAM: How can private enterprise do it?

HON. J. TOLMIE: Not at that price. When the war is over the prices that are maintained at the present time are not going to hold.

THE PREMIER: I certainly hope that they will not hold.

HON. J. TOLMIE: If we pay reasonable wages, the wages that we are accustomed to pay in our other industries, then we cannot turn out iron at the price that is going to make it a payable industry here, and if it is not going to be a payable industry, it is a wrong thing for us to saddle the people of Queensland with the burdens that will follow. The Premier has told us that when the war is over the burden of taxation will be so great that it is desirable that we should have industries which will do something in the direction of ameliorating those burdens. This is an industry that is going to increase those burdens. For those reasons I am not in sympathy with the passage of the Bill at the present time.

MR. MACARTNEY (*Toowong*): I desire to say a few words in opposition to the second reading of the Bill. I noticed particularly that the Premier in moving the second reading of the Bill omitted to refer to the provisions of the charter which this Bill will give to the government of the day. Why he avoided the principles of the Bill I fail to understand. We have already in this House had occasion to refer to one charter given to the government of the day which I think we regret in some respects. I refer particularly to the charter taken by the Government in the Sugar Acquisition Bill, with the result that every member on this side closely scrutinises every Bill presented to us with a view to ascertaining just what may be behind it that is not altogether plain on the surface. As the Premier has not referred to the charter asked for in the Bill,

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I propose to point out just to what extent it goes. We find the Government ask to be—

“authorised and empowered to establish, undertake, maintain, and carry on the business of searching for, mining, getting, winning, reducing, and smelting iron and iron ores, and any metal, mineral, earth, ore or product used or for use in such business, and the manufacture and production of iron and steel, with all or any associated trades, processes, industries, or enterprises, and the manufacture, preparation, and production of chattels, articles, and things composed wholly or in part of iron or steel, and the sale, supply, or other disposal of the ores, metals, and manufactured products of such business so carried on by him.”

I ask, is that merely for the manufacture or test of the manufacture of pig iron? It not only gives the Government the right to start prospecting bodies, to go in for searching and mining, but it gives the Government the right to win, reduce, and smelt iron and iron ore, and it gives the Government also the right not only to produce pig iron and all the allied products, but it gives them the right to start all associated trades, processes, industries, or enterprises, and the manufacture, preparation, and production of all things composed of iron or steel, and not only that, but it asks for the right of sale and distribution of the articles so produced.

The PREMIER: Surely we must have power to sell our products?

Mr. MACARTNEY: This is a greater power than has been asked by any Government in connection with any trade or undertaking. Surely it amounts to the Labour platform almost in one mouthful. Not only that, but you find in the general powers given under subsection (2) of clause 3 power to open and work mines, and generally to carry on the business of mining in all its phases. And in another clause it is provided—

“The Governor in Council may from time to time, by proclamation published in the ‘Gazette,’ authorise and empower the Minister therein named to undertake, establish, or continue, and to maintain and carry on any business therein designated or described.”

The PREMIER: Such as the manufacture of coke.

Mr. MACARTNEY: Why, under that they can start a bakery or a laundry; there is nothing to prevent it—nothing in the world.

The PREMIER: It is your side that wants the laundry.

Mr. MACARTNEY: Then again, the Bill provides that—

“The price or compensation payable in respect of all lands or works acquired by the Minister under this Act may, at the option of the Minister, be paid for by him in cash from the consolidated revenue fund, or in cash the proceeds of the sale of debentures, or wholly or in part by the issue to the owner of debentures.”

Authority is given to the Government under

the clauses of this Bill to issue debentures ad libitum, just as if we had passed a Loan Act for the specific purpose; and the consolidated revenue is charged in respect thereof and also for interest. This Bill practically gives to the Ministry for the time being the power of appropriation for the purpose; takes it out of the hands of Parliament altogether. Now those two aspects of the Bill create a charter unusual in its extent.

The PREMIER: Not too wide for the purpose necessary.

Mr. MACARTNEY: Not too wide for the hon. gentleman.

The PREMIER: Not for the effective carrying out of the enterprise.

Mr. MACARTNEY: Much too wide for the enterprise as at present proposed—according to the report of the commission, to which I intend to refer a little later on.

The PREMIER: We don't want to stop people making pig iron.

Mr. MACARTNEY: The hon. gentleman calmly asks the Opposition to join hands with him in commending the passage of this Bill. Why? In order that he may use the Opposition against our friends in another Chamber.

Mr. STOPFORD: Is that a threat?

The PREMIER: I never thought about it.

Mr. MACARTNEY: I would not like to say what I think about that.

The PREMIER: Your friends in the other Chamber won't turn this down, will they?

Mr. MACARTNEY: I would not like to say what I think of the hon. gentleman's friends; it would not be parliamentary. The hon. gentleman's friends in the other Chamber are getting many.

The PREMIER: Those remarks are worthy of the hon. member.

Mr. MACARTNEY: He is not going to get that confidence or support from the Opposition. I can hardly imagine a sane member in the other Chamber passing a measure of this sort, especially in view of their experiences in the past, and in view of the report of the commission dealing with the matter. If members of the Opposition were to give this Bill their blessing it would be used as the hon. gentleman takes every opportunity of using such things.

The PREMIER: If they don't give it their blessing it will be more effectively used.

Mr. MACARTNEY: I don't know what the necessity for this Bill is at the present time. I don't know that, if it was passed, the Government could equip the undertakings provided for by this Bill. We have in South Brisbane large joinery works established by the Government at an expenditure of many thousands of pounds; it is estimated that from £30,000 to £50,000 has been spent; and I don't know that one shilling's worth of work has been turned out of those joinery works yet. I have heard it stated that owing to the war it has been impossible to get the plant. I don't know whether that is a sufficient excuse or not for the expenditure of such large sums of money at the present time—money that is bringing in no return. But the fact remains that if these things

*Mr. Macartney.]*

were established at the present time they could not be equipped. Now, the hon. gentleman when he was introducing the Bill in the first instance made reference to a report from a Royal Commission.

The PREMIER: An interim report.

Mr. MACARTNEY: A progress report of a Royal Commission. That commission consists of several supporters of the Government, who have inquired into certain public works costing over £20,000. I have the report of that commission in front of me, and it is interesting to look at that report and see whether there is anything in it that would justify, for one single moment, the granting of the powers which the Government are asking this House to grant. According to the terms of it, the commissioners were asked to report on—

“1. Location, quantities, and suitability of iron ore deposits.

“2. Location, quantities, and suitability of fuel supplies.

“3. Most suitable site or sites for central works.

“4. Primary cost of erecting and equipping such works.”

The reply to those questions is as follows:—

“Before your commissioners can reply to these questions so far as they relate to the establishment of a complete iron and steel works a great deal of research work will have to be undertaken and much more information collected, which must take considerable time. Owing no doubt to the fact that no previous Government has ever seriously considered the iron question, the data in possession of the Mines Department is incomplete regarding the raw material either as to quantities or suitability for the successful establishment of an iron industry. A geologist from the Government Geological Survey Department has now been deputed by the Minister for Mines to specialise in this work, and has entered upon his duties. The site for a central works can only be determined after locating the largest and most suitable deposits of ore, coal, fluxes, etc. Information must also be sought outside of the State concerning the cost of an up-to-date iron and steel works.

“Sufficient evidence, however, has now been placed before your commission to justify them in coming to the following conclusions, namely:—

1. That all the essentials are in this State for the successful manufacture of pig iron.

2. That a complete plant for the manufacture of pig iron can be established at a cost not exceeding £5,000.

3. That such a plant could be utilised for the testing in bulk of iron ore from different parts of the State, thus deciding whether the various deposits are suitable for smelting and converting into steel.

4. That, taking present prices, and rates that must obtain for at least a considerable time after the war, the making of pig iron would be a profitable undertaking for the State.

5. That the site chosen for such works would not in any way affect the selec-

tion of a site for central iron and steel works if finally decided upon by the commission.

“We therefore beg to recommend that steps be taken forthwith to establish, at a site to be chosen by the Mines Department, a State iron smelting plant capable of producing pig iron commercially and of testing in bulk the iron ore deposits of the State.”

So that, after all, all the commission recommends is that a testing plant for the production of pig iron should be provided; and that, at present prices, and at the rates which in their opinion may obtain for at least a considerable time after the war, the making of pig iron would be a profitable undertaking for the State. On the limited character of that report, on the limited statements that are put before this Chamber, are we justified in passing a Bill granting such tremendous power for good and ill to the State?

Mr. GILLIES: Yes, we are justified.

Mr. MACARTNEY: We are not justified. Any member of this House would be betraying his trust in handing over to any Government—I don't care who they are—the power this Bill gives, unless on a better case than that put forward by the Premier. If the hon. gentleman could show that this industry could be carried on profitably for Queensland, there is no man on this side of the Chamber who would oppose the Bill, because, if we can make the fullest use of our primary products, we are bound to do it. But nothing has been put before this House that shows that this industry can be instituted here and carried on in successful competition with other parts of Australia, or of the world; and there is nothing to justify the House at the present time in giving to the Government the power to expend the money which would be involved if they made anything like the use of the power which the Bill gives. Again, I say that this is not the time for dubious expenditure. Our financial position is such that every thousand pounds the Government has requires to be watched and requires to be conserved; and I say that at the present moment the State has not £5,000 with which to play experiments. As the hon. the leader of the Opposition says, if power is given to the Government to expend money, it will only mean further additional heavy taxation that the State and its enterprises cannot afford at the present time. I say that, having regard to the calls of the Commonwealth in connection with the war, we have no right to burden the people with the heavy taxation which unnecessary expenditure involves. I am not going to take up the time of the House at any greater length in connection with the matter. I realise that it does not matter what we say on this side, the Bill has been dealt with in the other Parliament we hear so much about—which is not this Parliament—and, no doubt, so far as this Chamber is concerned, it will pass it.

I would like to point out, in connection with the Bill, certain other objectionable principles which I think it contains. Taking them in the order in which they appear in the Bill, the first is exemption from local authority rates in favour of the Minister. I say it is not a fair thing to the local authority system which prevails in this State—that exemption should be made in respect to

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properties used by the Government. The improvements of the local authority are just as much required for the use of those properties as they are for other properties. I say that the exemption is as wrong in principle as it is unfair to local authorities. I notice that the Bill provides a means for the keeping of the accounts. I think in that connection the Government are to be congratulated, because it is a provision which has not been made for other industries that the Government have taken up and are carrying on at the present time. Special protection is also proposed to be given to the Minister that would not be given to an ordinary private undertaking. That is to be found in clause 7—which, I say, is also objectionable. Take it all through, I think the Bill is one which ought to be rejected without further consideration.

Mr. CORSER (*Burnett*): I said in the introductory stages that I would support this Bill. I contend that the establishment of works for the production of pig iron in Queensland will do an immense amount of good to this State and to Australia generally. I think that, though the Bill provides for the establishment of steel works, it is a matter for the Government really to decide with themselves whether their financial position enables them to take this large step. As you know, it will entail a tremendous expenditure. No doubt, the Premier, after the return of the Treasurer, will have some idea just what amount of money there will be available. It will not cost very much to put in a furnace and to prove the iron deposits of Queensland, and, further, to make available pig iron from the extra iron deposits we have in the North, the Centre, and the South. Whilst we are able to do that alone, it justifies the introduction of a Bill to make possible an industry which is going to be, and must be, a very large asset to the State in which we are living. The steel industry, so far, has not been altogether too profitable to those who are engaged in it in Australia to-day. There is an amount of information that can be secured from the people below and from other countries, and I sincerely hope that the Government will be guided by the very best advice before they enter into the industry and operate on the dragnet provisions that are provided in clause 8. I don't know that I am altogether in favour of the great powers that the Government are vesting in themselves as provided in clause 8 of the Bill. It really provides that such works as Walkers

[4.30 p.m.] Limited at Maryborough may at any time be acquired by the State. I think that provision should be made that if such works are taken over, they should be taken over on just terms, and only on consideration of the best interests of the State. I do not think that the State should have power to come in and control such industries as Walkers Limited have established in Queensland and other similar firms. Unfortunately, the Bill provides that power, and the Government can step in and run any such industry as it might wish. I think that power is very extensive, and the Government might be induced to moderate their requirements in that direction. In the hope that they might do that, and hoping that it is not the intention of the Government to do anything to hamper those engaged at the present time in the working of iron in the State, I think it is a good thing

for us to support the measure to bring about the production of pig iron and the elements for the manufacture of steel in the State. Therefore I give the Bill my support.

Colonel RANKIN (*Burrum*): There is one note in the Premier's speech which I think every member on this side will echo and agree with, and that is the desirableness of doing everything we can to add to the productiveness of the State. I am quite sure we all realise the wisdom of Carlyle's advice when he said that the State must "Produce, produce, produce." That was really the burden of his song as the duty of any country. Other economists tell us practically the same thing, that a country that never wants for wares will never want for wealth. Consequently, anything calculated to add to the production of the State must always receive the support of any right-thinking person. If we could only believe that the Premier was sincere in his desire to add to the productiveness of the State one might have some sympathy with him in bringing in this measure that he has introduced this afternoon. But we have only got to look at the history of the present Government to see that instead of having any sympathy with increased production they have practically done all they can to stifle it.

Mr. COLLINS: That is not true.

Colonel RANKIN: I have asked time and time again for hon. members opposite to point out any developmental works that have come into being during the regime of the present Government. They pointed out something in the Bowen district.

Mr. COLLINS: What about the increase in the number of cheese factories?

Colonel RANKIN: We have also been told that cement works have been started at Darra, but they were commenced long before the present Government came into power. I am afraid that the present Government, by their attitude in connection with their State enterprises, and their policy of increased taxation which they have placed on the people, have done more to hinder development than any of their predecessors. In regard to this particular Bill, introduced this afternoon, I say there is no business in it. I listened very carefully to the Premier when he was moving the second reading of the Bill. He gave us some figures relating to the production of iron ore throughout the world. He referred to the somewhat phenomenal increase which took place in America in connection with the production of iron ore, but surely the Premier knows quite as well as anybody in this Chamber that America is not to be compared in any respect with Australia. The geographical position of America shows that that country has an advantage which Australia can never enjoy. America is within 3,000 miles of the centre of industrial Europe, while Australia is 16,000 miles off. We have to carry our produce all that distance, and anyone who knows anything about the development that has taken place in America knows what an advantage that is.

The PREMIER: What about producing what we consume ourselves?

Colonel RANKIN: I will come to that presently. The Premier recently paid a visit to America, and during his tour must have seen there that the iron ore and coal

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are to be found side by side. They are both alongside one another.

The SECRETARY FOR PUBLIC INSTRUCTION: No, no!

Colonel RANKIN: Of course, they are. I know what I am talking about. They have their ironstone and coal alongside each other. In the old country they are working the ironstone and the coal practically from the one shaft. Here you have to go considerable distances for your iron ore or for your coal. They are both far apart from each other.

The SECRETARY FOR PUBLIC INSTRUCTION: We have the richest ironstone ore in the world.

Colonel RANKIN: I am not dealing with the richness of the ore at all, but the conditions which obtain for the production of the ore. The Premier thought fit to mention America as an illustration of what has been done there, at the same time trying to make the people of Queensland believe that the same thing could be done here. I am merely pointing out that the two cases are not similar. In fact, they are as different as the poles are asunder, first of all, with regard to the conditions of the two countries, and secondly, with regard to the geographical advantages which America enjoys as compared with Australia. When we deal with this iron industry we are dealing with it not altogether in the dark.

The PREMIER: Why should we not build steel ships as well in Queensland as in America?

Colonel RANKIN: I will tell you why you cannot do it. We can build the ships in Australia just as well as they can in America, but we cannot build them as cheaply. After all, it is the price at which you can turn out a commodity in the world's market that determines the expansion of your trade.

The SECRETARY FOR PUBLIC INSTRUCTION: Why cannot we do it as cheaply?

Colonel RANKIN: We know quite well why. A writer on "Free trade and protection" once mentioned that it was quite possible to grow grapes in Greenland and sell them if they could get a sufficiently high tariff on them. Of course, if you get a tariff high enough to do these things then you might go as far as meeting local requirements.

The PREMIER: With regard to your argument you know that we can import sugar much cheaper than we can grow it.

Colonel RANKIN: Yes, of course, we can, and I can tell the hon. gentleman that because of that Australia can never become a sugar exporting country. We can never export sugar. We can only deal with sugar so far as the consumption is concerned within our own borders.

The PREMIER: We do not produce enough iron and steel for our own consumption.

Colonel RANKIN: The Premier says that we will be only able to deal with the iron and steel for ourselves. He says that we can only make sufficient iron and steel to meet our own consumption.

The PREMIER: I have not said that.

Colonel RANKIN: I can take no other meaning from what the hon. gentleman says. The hon. gentleman asked me first of all if we could not build ships in Australia? I

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say, "Yes." We can build them, but we cannot build them sufficiently cheap in Australia to enable us to compete with countries overseas.

The SECRETARY FOR PUBLIC INSTRUCTION: Why?

Colonel RANKIN: The hon. member knows as well as I do. Why have we not done it? Because the cost of production is greater.

The SECRETARY FOR PUBLIC INSTRUCTION: In what way?

Colonel RANKIN: I make the statement, and if the Minister can get up and refute that statement he is quite at liberty to do so.

The SECRETARY FOR PUBLIC INSTRUCTION: It is merely your statement.

Colonel RANKIN: It is a statement of fact. I can tell the hon. member that according to the cost of building gun boats at Cockatoo Island and the battleships at home that it cost two or three times as much to build them in Australia.

The SECRETARY FOR PUBLIC INSTRUCTION: You said America.

Colonel RANKIN: I did not mention America in this connection. I am not going to have these things saddled on to me by the Minister for Education. I referred to America so far as the production of iron and steel was concerned, and I said that the coal and ironstone was found in close proximity, and I also said that America lies closer to the great centres of population and industry in Europe and Asia. I say that now. That is one reason for the greater expansion that has taken place in America, but we can never hope for that expansion to take place here in Australia. When the question of the cost of building ships was raised, there was no talk whatever about America.

The SECRETARY FOR PUBLIC INSTRUCTION: It was the same reference.

Colonel RANKIN: It had nothing at all to do with it. The Minister asked why we could not build ships as cheaply in Australia and I was pointing out why we could not do it. Anyhow you can take America if you wish, as I am not very much concerned which country you take, America or Great Britain. Whichever country serves your purpose will also serve mine equally well.

The PREMIER: Why should we import steel rails from America?

Colonel RANKIN: If you can import steel rails from America at a lower price than you can make steel rails here, unless you can get the Federal Government to give you sufficient protection, then your iron works must go down. You have no power over the Federal tariff you know.

The PREMIER: But the people in Australia have power over it.

Colonel RANKIN: Let me give the hon. gentleman some information. Evidently he did not take the trouble to find out what pig iron was worth here before the war. I will tell him what it was worth. Before the war pig iron was worth £4 10s. per ton here. According to the report on which the hon. gentleman asks us to vote for this Bill and give the necessary power, according to that

report it is going to cost £5 per ton to produce pig iron.

Mr. STOPFORD: Has not other material gone up in the same ratio?

Colonel RANKIN: I am making my own statement, and you can speak afterwards if you wish. I am saying that before the war pig iron was £4 10s. per ton. I quite realise at the present time that pig iron costs from £10 to £12 per ton. The Premier knows that the present rates are not going to continue for any length of time after peace is declared. He said himself that he hoped not, and we all hope not.

Mr. STOPFORD: Will there not be a corresponding drop in other materials?

Colonel RANKIN: We know that after the war is over iron, like other commodities, will come back to its normal price, and the normal price of pig iron is £4 10s. per ton. Yet the report of the commission given to us this afternoon, and on which this Bill is based, says that pig iron is going to cost £5 per ton to produce. We know that it was obtainable for £4 10s. per ton before the war, and after the war it will be obtainable probably for a lower sum. Are we justified as a House comprised of thinking men, are we justified in supporting a measure of this kind? What is going to be the advantage? It is going to increase taxation.

The PREMIER: No.

Colonel RANKIN: I submit that if you are going to start an industry that is not going to pay its way, then there must be a tax on the community.

Mr. SWAYNE: Like our railways.

Colonel RANKIN: Yes, like our railways. We know that the Government will turn a payable industry into a non-payable industry, because they will carry it on like they have carried on their railways. It will be like they have carried on their State enterprises. When we get the figures we will see that their State enterprises have been carried on at the expense of the community. That is not the way to add to the producing industries of our country. That is not the way to add to the wealth of our country. No person would dream for a moment of suggesting such a thing. We are not going into this matter with our eyes shut. Let me just point out that this is not an experimental matter. One of the finest steel works in the world has been established in New South Wales, regardless of cost—I think they cost something like £1,500,000 or £2,000,000. The most up-to-date machinery that could be obtained has been installed, the best brains that the world could offer have been placed in charge—and I believe the Premier knows all this quite well—but at these works the losses for two years came to the huge sum of £200,000. The Premier hinted at that when he was speaking, but he did not go so far as he might have gone, although I believe he knows it quite as well as I do. It is common property. The balance-sheet has been published far and wide, and it is on a balance-sheet of that kind in respect of a similar industry in another State that we are asked to pass this Bill. I submit that the conditions were most favourable, seeing that they had the supply of the Federal Government behind them—

Mr. STOPFORD: Yes; but they imported cheap stuff from the Germans and sold it—Private enterprise!

Colonel RANKIN: That makes the argument all the worse. If, notwithstanding the profits that they were able to make on some of the material which they imported, they showed a loss of £200,000 in two years, then I say, "God help Queensland!" if we are going to establish the tinpot iron works proposed in this measure. The Premier said that they were duplicating their plant. I interjected—because I knew and because he knows why—that it was on account of the increased price, because the price has nearly trebled itself. From £4 10s. it has gone up to £12. But the company know as well as I do, and as well as the Premier does, that it is only during the war period that those prices are going to prevail. I say that there is nothing to be drawn from the lessons of past enterprises to justify this Government or the House in launching such a measure at this time.

The PREMIER: Does the hon. member say we cannot utilise our large deposits of iron ore?

Colonel RANKIN: I say that we all recognise that the Government, as an employer, is not always most successful. The Government is usually a most extravagant business man. We know it in every branch of life. Take the Ipswich workshops which the Premier mentions. See what they have done there, and then take a similar institution like Walkers Limited, run by private enterprise, where they not only pay the same rate of wages under the same conditions but also show a decent dividend on capital expended. Take our coalmines. We find that they can be run by private enterprise as a paying concern, but when we turn to the State coalmines we find that they are a failure, running at a loss. And so we find right along the line. We find the same thing with State sawmills. We find it also in the numerous other industries the Government have taken up. I say that the object the Government have in view could be accomplished if we gave some assistance to or co-operated with private individuals, who would bring to the enterprise greater business acumen than the Government are able to display. Then, it might possibly reach success.

The PREMIER: Does the hon. member say that the Broken Hill Proprietary have been a failure?

Colonel RANKIN: I am quoting from their balance-sheet, and I say they have.

The PREMIER: That argument comes to this—that we cannot utilise our great deposits of iron ore.

Colonel RANKIN: Unless the Minister can show me something more at all events than he has been able to show at the present time, then I am submitting that his projected iron works are going to be run at a loss. I defy anybody to contradict me. We have, as I say, the evidence of the Broken Hill Company.

The PREMIER: How would you ever build up a nation if you talk like that?

Colonel RANKIN: I would build up a nation by developing those primary industries which do not require spoon-feeding; which add to the wealth of the community, instead of adding to the already heavy burden of taxation on the shoulders of the community. Does the Premier mean for one single moment that an industry such as this, while it loses thousands of pounds a year, is

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going, at the same time, to add to the wealth of the country? Surely no one with any degree of knowledge of political economy would argue that you are going to build up a country along those lines. If he could produce evidence that he could turn out pig iron at £3 per ton, and the normal price was £4 10s., I would give the Bill my blessing. I would say, "Go ahead. You are going on sound lines—that is, the lines we have always advocated—paying your way." But that is something quite foreign to the present Government. The Premier brings in this proposal, condemned on the evidence he himself submits, and asks us to support it. If we wish to increase the production of this country, let us make it more attractive to the capitalists. At the present time no capitalist would touch any enterprise here, because he knows very well that just so soon as he begins to make a success of it will the Government come along and either start an opposition show alongside him or take it over altogether. That is why private enterprise is dead; that is why the energy of the man on the land is stagnant; that is why capital has been frightened from our shores. That is the attitude of hon. members opposite. Instead of holding out the hand of welcome to men who come here to develop our resources, to put their capital into the country and add to its productiveness, we turn round and say, "Hands off. We are going to do this ourselves, even if we do it at a loss. You come here and invest your capital, and we will hold out the hand of taxation to you, which will sooner or later drive you out of business altogether." No, nothing has been shown in the Premier's speech which would justify the Opposition in supporting a measure of this kind. Much as hon. members on this side of the House desire to see new industries started, much as they wish to see our primary and secondary industries develop, I say that the proposed establishment of these works, on the evidence produced by the Premier himself, is not going to assist in that direction.

Just one word with regard to the Bill itself. While the Premier dwelt at some length on, no doubt, interesting matter, dealing with the iron production of the world, he carefully left out all reference to the more important features in the Bill. He did not tell us, for instance, that under cover of this Bill he was able practically to carry out the whole scheme of the Labour platform. He did not tell us that under this Bill he was able to nationalise all the means of production, distribution, and exchange. He did not tell us, still further, that he was able, not merely to take over industries, but to confiscate industries.

The PREMIER: Oh, no! What clause is that?

Colonel RANKIN: If words mean anything at all, then I submit no other interpretation can be placed upon this measure than the words I have used. I will just read from subclause (3) of clause 3—

"The Minister . . . shall have power to take, purchase, contract for the use of, or otherwise acquire."

He can take altogether. There is no mention of compensation.

The PREMIER: But you need to read other sections to see the provisions for compensation.

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Colonel RANKIN: It is no use the Premier trying to bluff us in that fashion. I have read the Bill very carefully, just to see how far it is modified by any subsequent clause, and it is not modified.

The PREMIER: The Public Works Land Resumption Act provides the machinery for fixing the compensation.

Colonel RANKIN: That Act does not affect industries. How could it affect the goodwill of Walkers Limited at Maryborough if the Government wanted to take that business?

Mr. BOOKER: Not even on just terms.

Colonel RANKIN: I am reminded that hon. members opposite objected on a former occasion to the three words "On just terms" in a previous measure of this kind, thereby evidently giving the world to know that the justice of any claim had no part in their philosophy.

The PREMIER: Subclause (5) deals with compensation.

Colonel RANKIN: It does not say that the Minister shall make compensation. This is another attempt of the Premier to bluff us. I will read subclause (5)—

"The price or compensation payable in respect of all lands or works acquired by the Minister under this Act may, at the option of the Minister, be paid for by him in cash from the consolidated revenue fund, or in cash the proceeds of the sale of debentures, or wholly or in part by the issue to the owner of debentures."

The PREMIER: His only option is as to the way of payment.

Colonel RANKIN: That is so, but it does not say that this shall be. It says that when a price has been arrived at it may be paid in a certain way. There is no doubt that, so far as land is concerned, it would come under the Public Works Land Resumption Act. But there is no doubt also that this is a confiscatory measure to that extent, and not only is it that, but it is also unrestricted. It may be applied to anything. It can be applied to ships—ships are even specified.

The PREMIER: It says we may build them.

Colonel RANKIN: And you may take them or confiscate them. To make it doubly sure, it would appear that clause 8 deals still further with this question, for it says—

"The Governor in Council may from time to time, by proclamation published in the 'Gazette,' authorise and empower the Minister therein named to undertake, establish, or continue, and to maintain and carry on any business—"

The SECRETARY FOR PUBLIC INSTRUCTION: "Therein designated."

Colonel RANKIN: Yes, in the proclamation.

The SECRETARY FOR PUBLIC INSTRUCTION: That would be in connection with this Bill.

Colonel RANKIN: But this Bill covers everything. I am afraid that the Minister for Education is trying to mislead the Chamber. There is no doubt that if he has read the Bill he must know quite well what it contains. Let the Minister turn to subclause (3) of clause 3—

"He may take, purchase, contract for the use of, or otherwise acquire, or provide and construct and erect buildings,

structures, smelters, factories, foundries, warehouses, wharves, plant, equipment, machinery, tramways, ships, vessels, and other fixed or movable appliances or works of any description, and sell or otherwise dispose of the same when no longer required; he may, in such manner as he thinks fit, work any tramway, ship, or other appliance."

[5 p.m.]

The SECRETARY FOR PUBLIC INSTRUCTION: "For the purposes of this Act."

Colonel RANKIN: Nobody knows better than the Minister that under this Bill he has power to establish any industry he chooses. Will the Premier deny that?

The PREMIER: Yes.

Colonel RANKIN: Will the Premier say that under this Bill it is only competent for him to start steel and iron works?

The PREMIER: And cognate businesses.

Colonel RANKIN: I suppose the manufacture of a sewing machine would be a cognate business. I suppose scythe manufacturing or piano manufacturing would be a cognate business.

Mr. O'SULLIVAN: Or a pin.

Colonel RANKIN: I suppose the manufacture of a razor or even a pin, as the hon. member says, would be a cognate business. There is no getting away from it that, so far as the scope of this measure is concerned, there is no industry which the Minister could not commence under it. That is the attitude taken up by the Premier in nearly all the measures he has introduced. It is no new thing. It has been going on practically ever since he got on the Treasury benches. I remember pointing out in one of the first Bills he introduced—the Sugar Acquisition Bill—that the Government could acquire anything under it, and the Premier then, as he does now, disclaimed all such idea.

The PREMIER: I say I was correct.

Colonel RANKIN: You said you had no intention of commandeering, but since then you have commandeered stock and you have commandeered stations.

The PREMIER: You quote from "Hansard" what I said.

Colonel RANKIN: When I stated that under that Bill, although it was nominally for the acquirement of a certain sugar crop, its scope was so wide that the Government could acquire anything, it was disclaimed from the Government side of the House.

The PREMIER: No.

Colonel RANKIN: That certainly was the impression left on my mind. That was one of the first Bills introduced by the Premier, and that has characterised all the legislation of any consequence that the Government have introduced since.

The PREMIER: A very useful measure.

Colonel RANKIN: It is a very useful measure if Ministers were honest, if you let the people know what you are doing, but it is not honest under the title of a "Sugar Acquisition Act" to bring in a Bill for the acquirement of cattle and stations. It is not honest under a Steel and Iron Works Bill to bring in a measure for the establishment of practically any industry that finds expression throughout the industrial world

of Australia at the present time. We as an Opposition are justified in offering most strenuous opposition to this measure, not only on the ground that where the business has been attempted elsewhere it has been a lamentable failure; not only on the grounds that the evidence they have adduced shows that the industry would be carried on at a loss: not only because of the fact that the conditions here are not as favourable as they are in other parts of the world; but also on account of the fact that this is not the time to increase the burden of taxation on the shoulders of the people.

The PREMIER: This will not increase the burdens.

Colonel RANKIN: The Minister himself told us that he hoped, under favourable conditions, to be able to turn out pig iron at £5 a ton. I tell him that the normal price of iron is £4 10s. a ton.

Mr. O'SULLIVAN: Not in Australia. That is the London market.

Colonel RANKIN: The hon. member knows nothing about it. I took the opportunity of making inquiry before I came into this Chamber, and for any hon. member to contradict, he is simply doing what is wrong. I am not in the habit of making statements that are not true. I say the price of pig-iron in Queensland before the war ranged from £4 10s. to £5 a ton landed in Brisbane.

The PREMIER: At normal times we can manufacture at even less than £5 a ton.

Colonel RANKIN: Five pounds is the actual figure quoted by the Premier himself.

The PREMIER: Under present conditions.

Colonel RANKIN: The only means by which you can produce it cheaper would be by lowering wages.

The SECRETARY FOR PUBLIC INSTRUCTION: No.

Colonel RANKIN: The hon. member is not one of those who advocates the lowering of wages. The Minister knows as well as I do that in an undertaking of this kind practically 90 per cent. of the expenditure is labour. What else comes in? What is your coal and your coke which is used for smelting? Is not that all labour? What is your limestone? Is not that all labour? What is your iron ore? Is not that all labour?

The SECRETARY FOR PUBLIC INSTRUCTION: Interest on machinery.

Colonel RANKIN: The interest on the machinery is a matter that is not going to be affected by the termination of the war. If you are going to invest money now that money will cost a certain amount and that will have to be paid if we have peace tomorrow. On the Premier's own evidence, this business, instead of being a success, is going to be a failure, and instead of adding to the stability of the State, it will have the opposite effect, because it will take men who are at present employed in industries which pay their way and put them into an industry which will mean further taxation, and therefore we have every reason to offer the strongest opposition to a measure of this kind. If the Minister had been desirous of bringing in a Bill to enable him to make experiments in connection with the iron and steel industry, there might have been very little opposition to it, but when he brings in a Bill of this kind, practically giving him power to confiscate any industry, to take over any industry, to nationalise any industry,

*Colonel Rankin.]*

then he is asking for something that this House has no right to give him under the title of a Bill presumably to give the Government power to start steel and iron works. If we only had a Government in which the people outside had more confidence, we would find that private enterprise would come to our assistance and develop our primary and secondary industries. What do we find at the present time? There never was an opportunity in the history of Queensland or Australia when our coalmining industry could be developed to greater advantage. Do we find men entering into coalmining ventures to-day? Not at all.

The SECRETARY FOR PUBLIC INSTRUCTION: Yes.

Colonel RANKIN: Where are they?

The SECRETARY FOR PUBLIC INSTRUCTION: The West Aberdare Colliery for example.

Colonel RANKIN: The West Aberdare coalfield has been worked since I was a boy.

The SECRETARY FOR PUBLIC INSTRUCTION: To my knowledge it has started within the last two years.

Colonel RANKIN: The hon. gentleman has not been in office much longer than that. That particular venture has been going on for some years, although there may have been some additions lately. There never was a better opportunity for the development of our mining industry than at the present time. Has anyone entered into this industry? Not one. There is no buoyancy; there is no feeling of confidence. Who would think of starting a coalmine when it might happen that the next day the Government would come along and put a shaft down alongside and ruin him; and if they did not do that, under this Bill they could come along and take his mine from him. I am speaking of something that is appealing to the capitalists to-day. There is no confidence in the Government. Even after having sunk your capital in some venture and made a success of it, the next thing that comes along is the hand of taxation which takes everything from you.

The PREMIER: I think I get twenty-five letters a day now from men in New South Wales who want positions in Queensland.

Colonel RANKIN: Men who want jobs. I have no doubt about that. I expect there are a good many applications for the position of Comptroller of Ships.

The PREMIER: If I spent my time reading all the letters I get from the South I could do nothing else.

Colonel RANKIN: I quite understand that. When the people in the other States see that the Government are so improvident and so reckless in expenditure, throwing money away right and left, no doubt they want a job before the Government get out of power so that they can have a share in the scramble. I do not think that the argument used by the Premier is one that will carry much weight with the people outside. The mere fact that he receives a certain number of letters from the unemployed in the other States who are seeking positions here does not necessarily indicate that feeling of confidence in the country which alone can attract capital to develop the country.

The SPEAKER indicated that the hon. member's time had expired.

[Colonel Rankin.]

The SECRETARY FOR PUBLIC INSTRUCTION (Hon. H. F. Hardacre, *Leichhardt*): The hon. member who has just sat down might well apply for the position of leader of a party of detractors of the State's advantages and of the State's prosperity and resources. Apparently, nothing is good in this country while this Government is in office. They are not content merely to believe that, but they are not afraid to detract the resources of the country, if they can only make political capital at the expense of this Government. We are living in historic times. We are engaged in the biggest fight ever known in the world's history; we are faced with enormous difficulties, and instead of helping this Government to meet these difficulties by supporting this proposal, we have a debate which is typical of their attitude in connection with every proposal tabled by this Government. Nothing is good about it.

OPPOSITION MEMBERS: Quite right.

The SECRETARY FOR PUBLIC INSTRUCTION: Everything outside the proposal that can be brought in to say something nasty about the Government or about the State is dragged in, not to help the country, but simply to try and make political capital at the expense of the Government. Here we have a proposal that ought to have received, as the Premier said, the most favourable reception; on which the Government ought to have been congratulated—a proposal which has been looked forward to by a large number of people throughout the State; but instead of it being met in that way, every attempt has been made to belittle it, to magnify its dangers, and to magnify the possible losses. They are prepared to say anything and everything so long as it is something against the proposal. We have the leader of the Opposition going so far as not merely to condemn something which he thought the Premier did say, but, when the Premier denied having said it, to condemn something that he didn't say, but which he might have said under other circumstances. It was characteristic of the hon. gentleman. He gave an illustration of the milkmaid with the eggs which would not hatch, but he forgets another illustration from the same book of fables from which he took that—probably out of the schoolbooks which were being used when he taught children in school—the fable of the wolf and the lamb. The wolf accused the lamb of having contaminated the water that he was drinking. The lamb said, "But the water does not flow from me to you." The wolf said, "If it was not you, it was your mother"; and he said, "But my mother died the other day, so it could not be her." Then the wolf said, "Oh, well, it doesn't matter; I am going to have my breakfast." That is the attitude of the leader of the Opposition. It does not matter whether the Premier says anything which is true or not, the leader of the Opposition is going to condemn him, whatever attitude he takes up. That is the attitude taken up by the Opposition on every proposal introduced by this Government. We are told that it is impossible to produce iron in Queensland in competition with other countries. I asked "Why?" We were told by the last speaker that it was because we could not produce it cheaply enough. I said, "Why could we not produce it cheaply enough?" Apparently, he had in his mind—though he was very careful

not to say it—that we could not produce it cheaply enough because rails were so high. It is evident that that was in his mind.

Hon. J. TOLMIE: "Satan reproving sin."

The SECRETARY FOR PUBLIC INSTRUCTION: I never accused him of saying it, but I will undertake to say that that was in his mind. There was also the other statement which he did make—that in America, where iron is produced, there is a big population, and they have the iron on the seacoast. Now, I will say that, as against those advantages of those other countries, we have an advantage in Queensland that overwhelms them all—that is to say, we have the richest iron deposits in the world. That is what our experts say—that we have mineral deposits so rich as to counterbalance our disadvantages compared with the big populations of other countries.

Hon. J. TOLMIE: Who told you that?

The SECRETARY FOR PUBLIC INSTRUCTION: Our own geological mineral inspector went out and reported on the matter. We are told that in Biggenden, where we are already starting operations, the ore is so rich in iron that we can produce iron there to-day under present conditions with a net profit of anything from £4 to £6 a ton. So advantageous are those resources that it is well known that several private individuals have eagerly sought to get hold of that mineral proposition in order that they can carry on the industry instead of the State. Why, in Maryborough alone there is one big firm which is only too anxious to get that particular mineral area to carry on this particular industry. Therefore, if private enterprise can carry it on, there is no reason why the Government should not be able to carry it on so far as the production of iron is concerned. I think that members on the opposite side make a mistake in confounding—without discrimination and without distinction—the establishment of steel works with the establishment of iron works. This Bill is for the purpose of establishing iron and steel works, but it does not follow that we must establish steel works immediately. We can establish the iron works immediately, and, later on, as the iron works develop, and as the country develops—when the time becomes more opportune—we can gradually feel our way towards developing into the establishment of steel works as a supplement to the iron works. Now, iron could be produced cheaply and profitably to-day. There is not a great amount of capital required. It is a simple operation, and we are told by our own experts that we can do it profitably at the present time, and not only now, but probably for a long time to come—because no one at the present time can say when iron is going to be cheap again. Iron is one of the most vital necessities of all the rest of the industries of this State, and its benefit to all those industries is going to be immense. Unless we do something to produce iron, which is the raw material of other industries, there is a big possibility of either stopping some industries or largely handicapping other industries to the great detriment of this State. As it is such a simple undertaking, and as we have rich deposits, we consider that under the present circumstances the most desirable thing to do—in the interests generally of the State and of the industries of the State—is to make

some effort to provide this raw material. Now, we have the member for Burrum coming here this afternoon, and evidently trying to teach us political economy. Evidently, he has just graduated.

Hon. J. TOLMIE: He would be very foolish to take the job on.

The SECRETARY FOR PUBLIC INSTRUCTION: He would be foolish, unless he has a better knowledge than he has shown this afternoon. Evidently he is a young fledgling so far as political economy is concerned; he has just been reading—for the first time, apparently—some works on political economy, and has a very novitiate knowledge of the subject generally. He tells us that the State should not carry on any industry at a loss, because it is going to be a burden which will have to be transferred to other industries. How can you reconcile that attitude with his own position in regard to the sugar industry? We know that the sugar industry is being carried on to-day at a loss in itself. It has to be helped by a protective tariff, which has to be passed on to the rest of the industries and the people of the Commonwealth generally. How is he going to reconcile his attitude with regard to sugar on the one hand—supporting it, as he does, on all occasions—and his violent opposition to the establishment of ironworks, which is even a more vital necessity than the production of sugar?

Hon. J. TOLMIE: You won't allow sugar to have the value of the world's market.

The SECRETARY FOR PUBLIC INSTRUCTION: It does not follow that, because an industry is carried on at a financial loss, it does not benefit the rest of the community. It might indirectly have many compensating advantages. Every political economist knows the importance—the necessity and the advisability—under many circumstances, of establishing industries by the method of a bonus. It is almost universally acknowledged that at least one good way of establishing industries for the benefit of the State is to assist those industries by a bonus, even though directly the industry may be carried on at a loss. I say many advantages will be derived incidental to the production of iron—being a raw material—by all the industries. Even if it did involve a temporary commencing loss, it would still be advisable to start that industry. However, for the information of the House, it is not going to be a loss at all. So far as the production of iron is concerned, it is going to be a simple operation. Instead of being a loss, it is going to be a remunerative industry to this State. Now, the wide powers proposed in the Bill, I think, members opposite have largely magnified.

Hon. J. TOLMIE: You admit they are there, though.

The SECRETARY FOR PUBLIC INSTRUCTION: The powers are there, subject to a very important limitation—that is, as provided in clause 3, they must be "subject to this Act."

Hon. J. TOLMIE: No.

The SECRETARY FOR PUBLIC INSTRUCTION: All the powers for starting various cognate industries must be subject to this Act.

Hon. J. TOLMIE: Not cognate; the Premier threw that in.

*Hon. H. F. Hardacre.]*

The SECRETARY FOR PUBLIC INSTRUCTION: Well, incidental.

Hon. J. TOLMIE: Read the side heading to clause 8.

The SECRETARY FOR PUBLIC INSTRUCTION: If the leader of the Opposition will look at clause 3—under which the powers are given which we propose shall be taken—he will find it commencing: "Subject to this Act"; and later on it goes on to say, "For the purposes of this Act." It does not give unlimited powers to carry on all kinds of industries.

Hon. J. TOLMIE: Read clause 8.

The PREMIER: If clause 8 were left out, would you support the Bill?

The SECRETARY FOR PUBLIC INSTRUCTION: That has only to do with the finding of the money. Clause 3 says that the various powers shall all be subject to this Act.

Hon. J. TOLMIE: Why are you afraid to look at clause 8?

The SECRETARY FOR PUBLIC INSTRUCTION: I am not afraid at all.

The PREMIER: We might require coke-works, for example.

The SECRETARY FOR PUBLIC INSTRUCTION: Clause 8 says—

"The Governor in Council may from time to time, by proclamation published in the 'Gazette,' authorise and empower the Minister therein named to undertake, establish, or continue, and to maintain and carry on any business therein designated—"

That is, designated in the proclamation; but the proclamation must be subject to this Act; it cannot be a proclamation having no relation to this Act at all.

Mr. FORSYTH: You could go and buy ships, and do anything.

The SECRETARY FOR PUBLIC INSTRUCTION: Only as specifically stated in the provisions of this Act, and "subject to this Act." It does not give them power to make a proclamation to take anything except in respect of this Act. I would just like hon. members opposite who have some knowledge of the charters of various companies to compare the provisions under this Bill with the powers which are almost universally taken by companies when they commence undertakings. It is found necessary, in order to carry on the main purposes of any companies, that they must have wide incidental powers to enable them to carry on. That is all that is being asked for in this Bill.

Hon. J. TOLMIE: No.

The SECRETARY FOR PUBLIC INSTRUCTION: To say that this Bill, with the powers proposed, enables them to start the manufacture of pianos, sewing machines, and razors, simply because those articles have some small element of iron in them, is to carry the argument to an absurd and ridiculous degree which is not in the probabilities at all. I think I have shown that the attitude of the Opposition in regard to this measure is simply that nothing can be good in it because it comes from the Government. I maintain that it is a reasonable proposal and that it will do good for this State; and that, if carried out, I believe will be remunerative so far as the establishment of iron is concerned. Later on we can under-

take the more important establishment of steel, when we find that the circumstances and conditions are such as to enable us to carry it out profitably.

Mr. FORSYTH (*Murrumba*): No one objects to opening iron and steel works so long as those things are going to be good for the country. I don't think you can get anyone on this side to object to it, if it is proved that it is going to be a good thing for the country.

The PREMIER: What sort of proof would you want?

Mr. FORSYTH: The hon. gentleman has stated that this undertaking will not require a very large amount of money. Has the hon. gentleman any conception of the amount of capital which has been sunk in the industry by the Broken Hill Proprietary? I have a copy of the balance-sheet of the Broken Hill Proprietary, and it shows that the amount of money already invested in the iron and steel plant in Newcastle is no less a sum than £2,086,000.

The SECRETARY FOR PUBLIC INSTRUCTION: That is mostly for steel, not iron.

Mr. FORSYTH: I am reading from the report, and I will hand the report over to you if you like. It states that the iron and steel plant has cost that amount of money.

The SECRETARY FOR PUBLIC INSTRUCTION: And it is mostly steel.

The PREMIER: What does that prove?

Mr. FORSYTH: It proves that you want an enormous amount of money to start a business of this nature. The erection of the buildings for the production of iron and steel at Newcastle cost £47,800, making a total of £2,150,000 that has already been invested in connection with that industry.

The PREMIER: Perhaps it is a good investment.

Mr. FORSYTH: It may be. We will see what the chairman says about the investment. I remember reading a report the other day about the Newcastle works. I think it was in the Melbourne [5.30 p.m.] "Argus," but unfortunately I have not been able to get hold of it. There was a reference made in that report to a loss in connection with the works at Newcastle. Mr. McBryde, the chairman of the Broken Hill Company, said that there was a monetary loss. He just mentions in his report that the monetary loss was considerable. We have not got a proper balance-sheet before us in connection with the Newcastle works. Mr. McBryde does not say what the actual loss was at Newcastle, and it is a difficult thing to dissect it because he refers to the Broken Hill mine as well. However, he distinctly refers to the Newcastle steel works, and states that there has been a considerable monetary loss on account of strikes and different things.

The PREMIER: Probably there would have been a profit if there had been no strikes.

Mr. FORSYTH: There was a net profit for the half-year of £156,000, but they did not pay a dividend. I do not make these statements for the purpose of condemning this Bill, but because I think it is most essential for the Government not to accept the mere report of a Government geologist, because a geologist is not a mining engineer. You want to get a man who is thoroughly up in his business to make a report, but not a

geologist. The geologist knows very little about it. You should get a thoroughly practical man, the best man you can get from America, for the purpose of carrying on these works.

The PREMIER: Could we not get as good a man from Sheffield?

Mr. FORSYTH: I am not giving this advice because I want to condemn the Bill. I do not condemn it. The hon. gentleman who has just resumed his seat said we have the richest deposit of iron ore in the whole world. If that is so, we should be able to make it pay so long as the conditions are favourable to make it pay. We must bear in mind that before the war pig iron was quoted at from £2 10s. to £4 10s. per ton in London, and the freight was 10s. per ton. We know that the conditions are different now. We must look at this business from a normal point of view and not look at it at a time when high prices are ruling. That is not a guarantee that they are going to remain high for ever. We must deal with it from a business point of view.

The PREMIER: We must not misunderstand the meaning of "business."

Mr. FORSYTH: We must see that the country will not have to pay any more taxation because of the establishment of these works. It will mean that a lot of capital will have to be invested, but if it means the employment of a large number of men and the circulation of a lot of money that will compensate for any loss there might be, then it will be all right. If it means that there is going to be a big loss and that it is likely to affect the country, then the Government should not start until they get the best expert advice possible.

The PREMIER: There will be no loss.

Mr. FORSYTH: The Government should get the best man possible, and I would be willing to pay him £1,000 a year or more. We must get the best advice and not the advice of a geologist. I am not complaining about the geologist as a geologist, but a geologist is not a man who can give good advice in connection with a matter of this sort. We want the best mining engineer you can get, and I believe you can get a good man in Australia. If we get a mining engineer to present a report, and he approves of it, then you will have something to go on. The Minister for Education talks about Queensland having the richest and finest ironstone in the world. What does he know about it? What do I know about it?

The SECRETARY FOR PUBLIC INSTRUCTION: Our own experts tell us that.

Mr. FORSYTH: Our own experts are not good enough in a case of this sort. A geologist is all right from a general point of view, but if the Government want to go in for the establishment of iron and steel works costing an enormous amount of money, they want to get the advice of an expert who understands something about the business. The Government should get a man who has been in the business in America, where they have been carrying on iron and steel works for many years. You must be satisfied that you are getting the very best expert advice before you start on an undertaking like this. That will be the wise thing to do instead of rushing into it before you know what it is going to cost. I do not want to be positive about it, but I feel certain I read an article in connection with the Newcastle Iron and Steel

Works which showed a very heavy loss. Perhaps there may be a reason for that, and it may have been caused by something we do not know.

The PREMIER: You are not arguing that the iron and steel works should not be established?

Mr. FORSYTH: No. I would not say that. But I am pointing out that this private company, consisting of some pretty smart people at the head of affairs—I know them myself and I know they are smart men—if this company shows a loss it shows the necessity of getting the best advice possible before the State starts similar works in Queensland.

The PREMIER: Don't you think we could get as good a man from Sheffield as anywhere else?

Mr. FORSYTH: You may. I do not say that you cannot get a good man from Sheffield, but I know men who have had to do with enormous works in America, and who have had a lot of experience in connection with the shipments of enormous quantities of iron and steel there. You want to get hold of a man like that. This business involves taking over wharves, ships, and all sorts of things necessary to carry on the business, and all that means a lot of money.

The PREMIER: We are not going to spend all the money at once.

Mr. FORSYTH: The Minister for Education said that you could turn out iron from £4 to £6 per ton.

The SECRETARY FOR PUBLIC INSTRUCTION: At £4, £6 per ton profit.

Mr. FORSYTH: That would be an utter impossibility. Under normal conditions it would be impossible to do that, because you could not possibly make a profit when pig iron is quoted at £4 per ton. I looked up some records to-day to see the price of pig iron before the war.

The PREMIER: How long before?

Mr. FORSYTH: I looked up the year before the war and the year of the war. In April, May, and June, 1914, just before the war, the price of pig iron was £2 10s. per ton. Where is the hon. gentleman going to get his £4 per ton profit out of that?

The SECRETARY FOR PUBLIC INSTRUCTION: I said under present conditions.

Mr. FORSYTH: Does the hon. gentleman think that the price is going to keep at its present rate always?

The PREMIER: We don't want to make £4 per ton profit.

Mr. FORSYTH: The present prices will not last all the time. You cannot take the abnormal prices at all. We must take the normal prices. I do not think that pig iron will ever go back to what it was before the war.

Mr. FOLEY: Not for many years.

The PREMIER: Don't you think it would be a fine thing for the country if it simply pays its way?

Mr. FORSYTH: I do. Even if there was a small loss, and you employed a large number of men, and caused the circulation of money, it will not be a bad thing, but if there is going to be a heavy loss, it is another question altogether.

The PREMIER: Who said there was going to be a heavy loss?

Mr. FORSYTH: No one can tell. No one here can tell us there is offering to be a loss or a gain. I am not offering advice in the way of carping criticism, but as a business man I advise the Government to get the best iron expert possible.

The PREMIER: We will do that.

Mr. FORSYTH: Never mind about your own geologist. Get the man who has spent his whole lifetime in the business. I think myself that would be a wise thing to do.

The SECRETARY FOR PUBLIC INSTRUCTION: I only quoted our geologist to show the mineral resources of the State.

Mr. FORSYTH: It is all very well to talk of having the richest ore in the world, and making a profit of £4 per ton, but these statements are of no use to anyone. You must come down to bedrock, and get good advice.

The PREMIER: Who suggested we would not get the best advice? We never act on anything but the best advice.

Mr. FORSYTH: I did not happen to be here when the Premier was speaking, but I heard the Minister for Education speak. I hope you will get the best expert advice possible before you launch out into expenditure of hundreds of thousands of pounds. Remember that the Newcastle works cost nearly £2,000,000. That is run by a private company. They are speculating their own money, and if they lose the loss comes out of their own pockets. But if the State spends a lot of money in the establishment of iron and steel works and loses, then the loss comes out of the pockets of the people, and it means that the people of Queensland have got to suffer.

The PREMIER: Remember, we are going into an industry that has not been touched by private enterprise.

Mr. FORSYTH: I grant you that.

The PREMIER: We say that it ought to be developed.

Mr. FORSYTH: I am not condemning it.

The PREMIER: What are you doing?

Mr. FORSYTH: I am advising you to get the best advice possible you can, and if the hon. gentleman does not do that he may be sorry for it. The hon. gentleman who just spoke was talking about clause 8. It simply means that the Government can start any business it likes under that clause.

The PREMIER: No.

Mr. FORSYTH: Under the Sugar Acquisition Act the hon. gentleman uses it for a number of things. First of all he seized the sugar, and then he got a validating Bill put through, and then he used it to seize a number of other things.

The PREMIER: That is only a detail of the Bill. We can deal with that in Committee.

Mr. FORSYTH: The same thing applies to the State Produce Agency Bill. Under that Bill the Government can take over anything under the sun, and it is the same with this Bill. The hon. gentleman knows that that is so. The hon. gentleman talks about paying a bonus, but we know of businesses established in Queensland under the bonus system which afterwards went to rack and ruin. The hon. member remembers what

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happened in connection with the cotton industry. As soon as the bonus was stopped the whole thing fell to pieces.

The SECRETARY FOR PUBLIC INSTRUCTION: The Commonwealth are granting a bonus on cotton now.

Mr. FORSYTH: That is so, but an industry is no good unless it works on its own feet. It will have to stand on its own legs before it can become successful. I do not want to discuss this matter any longer. I do not condemn it, and I only hope it will be successfully carried on. It will employ a large number of men, and while that is a good thing, and everyone will approve if they can make a success of it, they should be as absolutely sure of their ground as it is possible for a Government to be.

The PREMIER: You do not condemn the measure?

Mr. FORSYTH: No, I am not condemning the measure. I say that before they go in for the extraordinary expenditure it will be absolutely necessary to have a little more inquiry into the matter. I think that it is only right, seeing that it is public money they are spending, that every possible effort should be made to do that before industries are started which will mean the expenditure of enormous sums of money.

The PREMIER: We are doing that.

Mr. GLEDSON (*Ipswich*): Reading the title of this Bill, one would not think that it would be possible to find any hon. member who would oppose it—a Bill to authorise the establishment and continuance and carrying on of State iron and steel works. (Hear, hear!) It was not my intention to speak, but we find that the leader of the Opposition—who, we suppose, represents the Opposition—opposing this measure. We find that the hon. member for Burrum opposes it, and the hon. member for Murrumba gets up and says, "I hope you will make it pay, but I do not think you will. It is possible you may, but I think it is going to cost you too much money." We find the hon. member for Burnett saying, "It is a good thing; go on with it," because the Biggenden ores are in his district.

Mr. HODGE: You have got the coal.

Mr. GLEDSON: I wish I had. That is just the point I am coming to. One remark of the hon. member for Burrum was that private enterprise should develop these things; that they are in a better position to do it; that they can do it better than the Government. I say that no private enterprise can carry it on better than the Government.

Colonel RANKIN: What about the Ipswich workshops?

Mr. GLEDSON: I am prepared to go into the matter of the Ipswich workshops with the hon. member for Burrum or any other member, and show that Walkers Limited completed a boiler which could have been done in the Ipswich yards for £200 cheaper. (Hear, hear!) I am prepared to go into other things and show that Ipswich can turn out work more cheaply than other yards, but because hon. members on the other side, who were shareholders in Walkers Limited, were members of the Government which was in power, they gave them orders and practically kept them working as against their own State works, which could turn out the

work more cheaply. I am prepared to show the hon. member and the people that the Government who were bolstering up private enterprises in which hon. members were shareholders were paying money that was coming out of the pockets of the taxpayer to keep up private enterprise by buying things at dearer rates than they could have been obtained for in the Ipswich workshops. We find that when a farmer comes along and takes up land and clears it and cultivates it and gets a crop and reaps it, no one has anything to say. No one should. But when any man comes along and says that the minerals that God has put down in the earth belong to him, we say he is wrong. They belong to the people of the State, and they should be worked by the State, by the workers of the State, in the interests of the people in the State.

Colonel RANKIN: Why should you not work the land as well?

Mr. GLEDSON: It is a question whether we are not working the land. But there is this difference between a man working the land and growing crops and the man who claims the iron in the earth. The former has done something to produce those crops. What has the other man done to put that iron there?

Colonel RANKIN: He has put his capital in to make it a marketable commodity.

Mr. GLEDSON: That coal has been there for millions of years; that iron has been there for millions of years.

Colonel RANKIN: It would be there yet if we had not made a marketable product of it.

Mr. GLEDSON: Let me tell the hon. member that there were marketable products in the Burrum district which could not be used. Just in passing, I would like to express my sympathy with the hon. member for Burrum in the loss he has sustained during the past few days through the death of one of the pioneers of the coal industry in the Central district—(Hear, hear!)—a man who was not afraid to take up the work of developing an enterprise in this State. I am sure that everyone on this side of the House sympathises with the hon. member in the loss he has sustained, and the loss the State has sustained, through the death of one who has done so much to develop that particular enterprise.

HONOURABLE MEMBERS: Hear, hear!

Mr. GLEDSON: But I was going to point out that in that district an enterprise was developed. People put up coke ovens, but they were driven out of the trade and the ovens were allowed to fall into ruin. Why? Just because of the policy which the hon. member for Burrum advocated this afternoon when he said that we should not establish these things because they are going to cost us something. Some time before the war Germany set herself out to capture certain trade in Australia, and sent coke to Rockhampton for £2 per ton more cheaply than they could send it from the Howard district to Mount Morgan. That was practically the reason why the coke ovens were put out of commission. They could not compete with coke brought all the way from a foreign country, and so private enterprise failed. The hon. member for Burrum advocated a continuance of that policy when he said, "No, do not let us develop our iron industry."

One of the arguments the hon. member used was that the wages were much higher here than in other countries. Let me tell the hon. member that that statement is not correct. I am going to read a comparative table from a book called "Wages and Prices in Australia," by Mr. H. M. Murphy, Secretary to the Department of Labour in Melbourne. He gives a comparison of the wages for 1915 for skilled and unskilled work in Australia and America—

Trade.	WAGE PER HOUR.			
	Melbourne.		New York.	
	Skilled Work.	Unskilled Work.	Skilled Work.	Unskilled Work.
	<i>s. d.</i>	<i>s. d.</i>	<i>s. d.</i>	<i>s. d.</i>
Bricklayers ...	1 7½	1 1	3 2	1 7
Carpenters ...	1 7	1 2½	2 7	1 6
Painters ...	1 4½	1 1	2 1	1 6
Signwriters ...	1 4½	1 1	2 7	1 6
Plumbers ...	1 6	...	2 10	1 3
Gasfitters ...	1 6	...	2 10	1 3
Plasterers ...	1 7	1 1	2 10	1 8
Tile layers ...	...	...	2 10	1 7
Marble setters ...	...	...	2 11	1 8
Aerated water ...	1 0½	0 10½	1 2	1 0
Biscuit ...	1 1½	0 11½	...	...
Stonecutters ...	1 5½	1 2½	2 10	1 10
Boilermakers ...	1 4½	1 0	2 7	1 10
Candlemakers ...	1 1½	1 0	...	...
Blacksmiths ...	1 4½	1 0	1 10	1 2
Machinists ...	1 1½	1 0	1 8	1 1
Steel moulders ...	1 3	1 0½	...	...
Glassworkers ...	1 5½	1 3½	...	...
Gasworkers ...	1 6½	1 3½	...	...
Average ...	1 4½	1 1½	2 5½	1 5½

Mr. HODGE: You do not say what they produce.

Mr. GLEDSON: It is not a question of saying what they produce. But I venture to say that men in Queensland will produce as much in the hour as the hon. member for Nanango. I guarantee that the hon. member for Nanango will think that he can produce as much as an American, and if he can do it any man in Queensland can. I guarantee, in spite of all the sneers the hon. member may make at the Ipswich workshops, any of the men there will compare favourably with members on the other side.

Mr. HODGE: You are making a personal matter of it now.

Mr. GLEDSON: You can take anyone you like into those works and see them at work—

Mr. HODGE: When you see them at work.

Mr. GLEDSON: These innuendoes and sneers are continually coming from the hon. member, although if it had not been for some of the workers of Queensland the hon. member would not be here. He never opens his mouth unless he sneers at the workers of this State.

Mr. HODGE: That is a lie.

Mr. GLEDSON: Well, he is continually doing it. While I am speaking, he says, "When you see them working—it is not often you see them working—"

Mr. CORSER: He did not put the end on it that you put on it. (Government laughter.)

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Mr. GLEDSON: It is no good the hon. member trying to get out of it now. He has practically put his foot in it, and he might as well leave it there. These are the statements hon. members make, and they cannot stand up to them. At election time they will say, "We are the workers' friends," and yet they come here and insult them. The hon. member for Burrum also made the statement that pig iron could be landed here before the war at £4 10s. a ton, but he did not say what the efficiency of that iron was. It all depends on that. We have in Queensland crude iron ore equally as good and with as great a percentage of iron in it as some of this pig iron which was imported—without any smelting process at all. The Government do not propose to spend £2,000,000 or £3,000,000 to-morrow, or this year, on the establishment of great steel works, but they do propose to do the common-sense thing—that is, to get this ore, which is practically as good as that pig iron, and utilise it instead of importing pig iron. The commission have been very conservative in their estimate of cost. In connection with this

matter I find that in 1904, Mr. [7 p.m.] Grant, who was then member for Rockhampton, moved a motion asking the Government to establish iron works in this State. Nothing was done by the Government at that time, although evidence was brought before the Government showing the necessity for the establishment of iron works, and showing the resources of this State so far as iron deposits were concerned. I propose to deal with some of the statements made by Mr. Grant at that time, and with some of the reports he quoted. The fact that the advice given by Mr. Grant at that time was not acted upon has resulted in great loss to this State. It has cost the State thousands of pounds owing to the extra price of pig iron and steel which would have been saved had they acted on the advice given to them at that time. In dealing with the cost of production of iron ore, Mr. Grant quoted a memorandum written by Herr L. Glier, and published in "Schmoller's Jahrbuch," in which it was stated that—

"In the last section, the author enters into the question of the comparative cost of production of pig iron in Germany and the United States, and avers, as a result of this examination, that Germany has no cause for anxiety. He states that Bessemer iron costs the corporation in Pittsburg not less than 12 dollars to 12½ dollars, and in less favourably situated works 14½ dollars. He thinks that the corporation could produce several million tons at less than 12½ dollars. In Alabama, the cost was from £2 to £2 4s. per ton in August, 1903. A reaction in the industry will lead to the concentration of mining in the open pits and the working of higher grade mines (half of the Mesaba mines are open pits), in the working of which improvements are being constantly made."

Mr. Grant, in commenting on these figures, said—

"Those figures are considerably higher than those given by Captain Richard and Mr. Sandford. Mr. Sandford says he could manufacture pig iron at the Lithgow Ironworks at a cost of £1 15s. a ton; and Captain Richard, after going

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fully into the matter, states that pig iron could be manufactured just as cheaply in Australia as in America."

Here is another estimate of the cost of manufacturing pig iron, given by Mr. Stephen Jeans, secretary of the British Iron-Trade Association—

"1. Great Britain: Cleveland iron, £2 0s. 10d.; hematite iron (West coast), £2 15s. 5d.

"2. Germany: The cost of producing pig iron in Lorraine and Luxemburg, and in Westphalia, under favourable conditions, may be taken at the following figures:—Lorraine, etc., £2 6s. 10d.; Westphalia, £2 11s.

"3. United States: Pittsburg, £2 10s. 6d.; Alabama, £1 19s."

In a further report Mr. Jeans said—

"Another considerable burden which has to be borne in the British iron industry is that of royalty rents. The ownership of the minerals is in this country vested in the owner of the soil, and it is the same in the United States. In Germany the ownership of minerals is vested in the State, and it is the same in France and in Spain, but in Belgium, since 1830, it has been vested in private owners. The following average figures as to the extent of this burden per ton of pig iron produced were calculated about twenty years ago, and will not greatly differ from those of to-day:—Great Britain, 4s. 10d., Germany, 6d., France, 8d."

That shows what the policy of the hon. member for Burrum and those who support him would lead this State into, when they suggest that the iron resources of this State should be developed by private enterprise and that the iron deposits be vested—as they have been in Britain and the United States—in the owners of the soil instead of in the State. Germany and France have secured these deposits for the State, whereas in the United States and in Britain they have been allowed to go into the hands of the private exploiter. This Government is doing a good thing in taking the earliest opportunity to get this Bill through so as to conserve to the State the iron ore deposits in Queensland, and thus be able to develop the resources of the State and make Queensland what it ought to be. The hon. member for Burrum also said that the Government, in establishing iron and steel works, would divert labour from other channels. There is no need to divert any labour, because no one will say that Queensland is over-populated. Both sides of the House will agree that Queensland is capable of carrying a far greater population than she has now. She is able to support ten or twelve times the population she has now. The greater the population the better it will be for this country, not only from a developmental standpoint, but from a defence standpoint also. The only way in which we will be able to defend our shores will be by populating Australia with a white population, which can only be done by the establishment of industries. There are thousands of men engaged in this struggle who are looking to Australia to-day. We expect to see some thousands of these men coming to Australia after the war is over, and we want to establish industries so that we will be able to find work for them when they get here. Dealing

with another statement—that the Government during its term of office have practically driven private enterprise out of the industries, and that no new industries have been started during the last two years—I would tell the hon. member for Burrum that, independent of the war, independent of the fact that some fifty odd thousand men have gone from Queensland to take part in the battles of the Empire; independent of the fact that all immigration has stopped, there have been increases in Queensland so far as her industries are concerned both in the coalmining districts and in the copper and other districts. Let me quote a report which was given to us the other night by the hon. member for Flinders. That report was from the Inspector of Shops and Factories in the Cloncurry district, and he says—

“The increase in this district for the past four years is surprising when compared with previous records. For instance, four years ago there were 67 boilers, and now there are 216 registered. Machines have increased from 82 to 250 in the same time, and vessels under pressure from 22 to 57. This district has a great future ahead of it from the mining engineer's point of view.”

There are other places in Queensland where there has been increased work, and if the Government of the country does its duty it will tackle the iron question straight away. No one for a moment thinks that it is possible to establish great steel works in five minutes. This Government, or anyone embarking on this enterprise, will, first of all, have to develop the iron resources of the State. They will have to establish the pig iron industry, and afterwards, if it is proved to be a profitable undertaking, work up to the great steel industry. Statements have been made by hon. members opposite that it has cost something like £2,000,000 to establish steel works in the Newcastle district. That is quite correct. It takes an enormous amount of money to lay down properly equipped steel works.

Mr. BOOKER: What does the report say?

Mr. GLEDSON: The report that we have is simply a progress report pointing out that from the researches the commission have made, they have proved that it will be profitable for the State to establish the pig iron industry at once. The report does not go into the matter of the establishment of the steel industry. Before that is done the commission have to continue their inquiries and get all the evidence they possibly can to enable the Government to come to a determination on the matter. The establishment of iron works does not necessarily mean that steel works have to be established. When we have the iron ore right at our doors ready to pick up and use, it does not need an expert knowledge to enable one to come to the conclusion that it would be foolish if the Government did not establish works to provide the pig iron necessary for their own use and for the use of private individuals who cannot obtain their pig iron without paying exorbitant prices. If the Government can establish the iron industry, surely it will be for the benefit of the State generally. The cost of everything has to be taken into consideration. This Government, as the Premier has assured hon. members over and over again, will not enter into the steel industry without getting a proper

report and expert advice on the matter—getting to know the cost, the pros and cons of the whole thing.

Mr. MACARTNEY: Why not get that first?

Mr. GLEDSON: It is not necessary to get that report for the establishment of the iron industry. The iron industry can be worked profitably if there is no steel industry worked at all, and we have the whole thing there for the working of that iron industry even if it was proved afterwards that it would not be wise to establish steel works here, and it might be found better to provide the necessary means of sending the pig iron to be made into steel at the Newcastle works. That is a matter for consideration. This Bill provides for the establishing of iron and steel works and other necessary industries attached to it. Now, I cannot see the use or the advisability of a place like Queensland neglecting this great industry, because we find that everything that is needed for the manufacture of steel is here in Queensland. What do we find? If you go up into the northern part of our State you will see up in the Cairns hinterland and up in the Chillagoe and Etheridge districts established mines which are controlled by British companies that were previously controlled by German companies. We find the German companies had got into Queensland and controlled, practically, the whole of the wolfram and molybdenite that had been produced in Queensland. Now those mines are being controlled at the present time by British companies, and we see that in the wolfram camp the great big British company has stepped in and amalgamated all those mines and is practically taking all the wolfram that that camp can produce. We find in another part of the field—out at the Kidston mine, where they have some splendid molybdenite shows—that they have been captured by the British Thermol Electrolytic Company. We find that the British Electrolytic Company is the other big company operating, and they have the control of the other molybdenite mines. Now, there is molybdenite, wolfram, bismuth, sheelite—all those things needed for the purpose of the manufacture of steel—produced in Queensland. In fact, I think the hon. member for Cook, in his speech on the Address in Reply, pointed out that practically 50 per cent. of the molybdenite produced in the world was produced in Queensland. We have it here, and what do we do with it? We have iron ore here for the purpose of making steel, and yet we don't use it. These rare metals for the purpose of hardening and production of steel, are mined and sent away to other countries—to Britain and America—for the purpose of allowing them to manufacture the articles that we should be manufacturing here; and then we have to import our requirements from those countries. Now we see, from all the evidence we have before us, that it is a good paying concern for the Government, and it is in the interests of the people of Queensland that an early start should be made in the production of pig iron, and that arrangements should be gone on with by the commission to inquire into the feasibility of establishing steel works and finding out just all about them and bringing information down here and tabling it in the House. As the Premier stated, nothing will be done to establish steel works until a proper report and expert opinion have been got on the matter. I am with him in that. I say we should go fully into the matter of steel

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works, as it will cost an enormous sum of money to do that; but, if it is in the interests of the State that this should be done, the State should be prepared to spend the money in order that it might make for the welfare of the State and make the State what it ought to be. It can never be what it ought to be until it becomes a great manufacturing State. That is what has made the other countries of the world what they are. We must become a great manufacturing State; we must establish secondary industries so as to enable our primary industries to get a footing and progress along proper lines. We can never do that if we have to find a market outside Australia for our products, when we should be finding that market inside by providing those primary products for an army of men who would be engaged in the iron and steel industries and the allied industries connected with those. When we do that we will be able to say that Queensland is progressing along the lines along which she ought to progress; and this Government will have done something in the establishment and bringing forward of this Bill to make Queensland and Australia a self-contained nation. They will not only have talked about it—as some people have done—but they will have done something. There is no use people saying we should make Australia self-contained, and that we ought to be able to produce all our requirements here, if we are going to sit down and do nothing. By the introduction of this Bill and by laying the foundation for the establishment of these works, this Government will have done something to bring about that state of affairs in Australia that she will be self-contained and able to provide for her own requirements. (Hear, hear!)

Mr. HODGE (*Yanango*): In reference to this Bill there is no doubt that in a sense it would be a step in the right direction if it did not indicate in its title that it was going to cover steel works and "other industries," and was to be for "other purposes." We have had experience of the manner in which a certain Bill was manipulated in connection with the sugar industry to make its provisions extend to the commandeering of cattle. I give place to no man in this House in my ideas regarding, or my support to, what might be termed the development of our primary industries. There is no doubt—as was indicated by the hon. member who has just resumed his seat—the inclusion of steel works in this particular matter is going to involve a tremendous expenditure. We have incidentally a report in connection with this matter, as to what this proposition is going to cost, in order to establish the necessary works to prove that we can produce pig iron. We are given to understand—on the authority of the Mines Department—that that can be done for £5,000. I take it that the £5,000 which is intended by the Government to be spent in this particular matter is a mere bagatelle. But there is also another objection so far as this matter is concerned, and that is that it is under State control. Now, I think—and rightly so—that if the principle had been adopted of giving outside capitalists an opportunity of coming in on this matter under the bonus system, it would have been very much more to the purpose. In fact, I have been given to understand that this proposition has already been made to the Government—that an outside body of what are termed capitalists, or investors, are prepared to take this matter up. Private enterprise,

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as against State enterprise—that is the big argument I see against this particular Bill. We already have had no end of experience of what this particular measure, if given effect to, will cost us in the matter of labour and supervision that is necessary. Now, we don't want to have that phase in evidence in connection with this matter, and the Government would be well advised if they accepted the offer which I understand was made to them and which has led to this Bill being brought before the House—that is, the development of the iron ore in existence in Biggenden. I don't need to look at the ore placed upon the table by the Chief Secretary. I know there are areas there of very high grade, and there is not the slightest doubt that, with the present prices ruling in connection with pig iron, it could be worked very profitably, provided it was confined to the production of pig iron. That, I certainly think, is quite enough for a start so far as the primary industries are concerned, when we are given to understand that in Broken Hill during the last strike, when the furnaces went out it cost £1,000 each to light those furnaces, and the loss of time by the other machinery that was thrown out. I say I am quite in accord with the Government in endeavouring to develop the primary industries—the iron industry—realising how necessary it is that we should produce our own pig iron when we have such marvellous deposits of iron ore. The secondary industry, of course, is a matter that already is provided for in this Bill. In fact, under the provisions of the Bill you might say that the Government can commandeer anything—as they have done in other directions—in the iron or the steel industry. It provides for anything from high-class surgical instruments and high-class machinery to what is looked upon as the lowest production in the iron works. The whole thing may be controlled under this Bill. Now, the hon. member for Ipswich, when speaking, emphasised the fact that Walkers, Limited, of Maryborough, had been given a contract for the production of a boiler which, he said, produced something like £200 profit to that particular company. I interjected at the time that the Ipswich Railway Workshops could not produce it under the same conditions at the same price at the same time, saying that I looked upon the Railway Workshops as a benevolent institution. Now we don't want this iron industry to be carried on under the same conditions.

Mr. COLLINS: What is a benevolent institution?

Mr. HODGE: The Ipswich Railway Workshops absolutely is a benevolent institution, as against a company that is working on the basis of Walkers, Limited, in Maryborough. To say that the Ipswich Railway Workshops could possibly produce that boiler and save £200 is most ridiculous. The fact that the Government gave that profit of £200 to Walkers on that particular boiler shows that they recognise that.

The general principle of the Bill is good, provided they have brought it in with a view of giving outside investors an opportunity of taking this matter up on the bonus basis. Anyone with a grain of common sense will recognise that this particular industry is one that should have been gone into years ago. I don't wish to raise my voice against the future development of our vast resources, particularly in the iron industry; because we fully recognise it is necessary we should be

producing from our own raw material. But I certainly decidedly object to the manner in which this matter has been brought down, when we have to take it that this is a Bill to authorise the establishment, continuance, and carrying on of State iron and steel works and other industries, and for other purposes. Now, that is covering too much altogether. Incidentally this matter has been brought down with a view to working primarily in this particular matter; but this Bill covers everything. That is my objection; particularly when I know that an offer has been made to the Government that an outside body of investors are prepared to take this on independent of bonus, because they know the price at the present time will pay them to do so. If I thought for one moment that the State could carry on this industry or develop these resources I certainly would be in accord with the hon. gentlemen opposite who have spoken; but I decidedly object to the manner in which this Bill has been brought down, because I consider they are going altogether too far.

Mr. DUNSTAN: You are going to vote against a proposition to develop your own district?

Mr. HODGE: Yes, I am going to vote against this. I believe in the principle of encouraging all our primary industries, but not under conditions such as these. I certainly think this Bill goes too far; it gives the Government too much power; and, that being so, I certainly intend to vote against it.

Mr. COLLINS (*Bowen*): I have listened attentively to the debate as far as it has gone, and to my mind there is only one member on that side of the House who appears to understand the position from a Liberal standpoint, and that is the hon. member for Toowong. I can quite understand that hon. gentleman opposing the establishment of a State iron and steel works, because we know that when a measure was introduced into this House to regulate the price of cane by the formation of

[7.30 p.m.] boards that hon. gentleman said that the measure would splinter every plank in the Liberal party's platform. (Hear, hear!) I claim that the hon. member for Toowong understands his own school of thought. Other members opposite, though, speak with many voices and express different opinions. We have the hon. member for Burnett, who is in accord with this measure. Why? Because the Biggenden deposit happens to be in the electorate which the hon. member represents. Therefore, we are led to assume that simply because it exists in a Liberal electorate and is likely to be developed by the State, the proposal is supported by the hon. member. The hon. member for Burnett is voting for it because he knows full well that if he does not vote for it then his electors will call him to account at the next election, and probably Maryborough would do likewise. It is in the North of Queensland that we have the biggest deposits of ironstone. We know that in the Cloncurry district we have Mount Leviathan, which above the surface shows 10,500,000 tons of ironstone waiting to be developed. That is according to the reports of our geologists. We have another huge deposit on Kangaroo Hills, at the back of Ingham, in the Herbert electorate. We have also huge deposits of coal in the Bowen electorate, which I have the honour to represent. Great Britain, Germany, and the United States would never have been the three biggest powers in the world

had they been faint-hearted like hon. members opposite. The wealth of those three great nations has been built up on coal and iron. (Hear, hear!)

Mr. HODGE: Under State control?

Mr. COLLINS: The hon. gentleman knows that in the early days of the iron industry there was not much progress.

Mr. HODGE: We are in the early stages here.

Mr. COLLINS: We should have made more progress than we have made to-day. If hon. gentlemen want to know when the iron industry commenced, I can tell them that the iron industry was commenced to be developed in Great Britain in 1740, when they produced 17,000 tons of pig iron.

Mr. HODGE: Is it under State control to-day?

Mr. COLLINS: I am not too sure that it is not by this time. Owing to the censorship, I am not sure of anything that is happening now. If it is not under State control—well, all I can say is that if they have any intelligence in that country at all, it will soon be put under State control. The hon. member for Ipswich stated to-day that Great Britain had to pay a royalty of 4s. 6d. per ton on iron ore in England, while in Germany they only had to pay 6d. per ton. In 1880 the world's output of pig iron was 18,000,000 tons, in 1912 it had reached 72,000,000 tons, of which Great Britain produced over 8,000,000, United States over 29,000,000, Germany over 17,000,000, France over 4,000,000, and Russia over 4,000,000. It is owing to the fact that England has been handicapped by an excessive royalty that they were stopped from producing iron as cheaply as they ought to do. If this country is going to be great, if Queensland is going to be the foremost State in the Commonwealth, we must develop our iron and coal resources. We have enormous deposits in Queensland. I heard the hon. member for Burrum this afternoon delivering a lecture on political economy, just as if we on this side know nothing of political economy. England would have been a very poor country indeed but for the fact that she developed her coal and iron resources. (Hear, hear!) That is what made that country great. If it had not been for the development of the iron and coal in the United States they would have only had a population of 30,000,000 instead of 100,000,000 as they have got to-day. It is the development of the iron and coal resources that makes any country great. (Hear, hear!) We are told that if we go in for a State enterprise in this State it will be a failure. We know that there are always failures when an industry is being started first. I am one of those who never get disheartened with one failure or even half a dozen failures. If that were so, I would not be in this House to-day. I have a little work here called "The Nations' Wealth" by Chiozza Money. This book ought to be in the possession of every member of Parliament. It points out how these nations have built up their wealth. I might point out how production is going on elsewhere. In 1870, Great Britain produced 6,000,000 tons of pig iron, and in 1912—the latest figures available in this book—England produced 8,800,000 tons of pig iron. In addition to that I might point out that Great Britain imports one-third of her iron ore from other countries. The hon. member for Murrumba told us this afternoon that before the commencement of

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the war that pig iron was quoted in London at 50s. per ton.

Mr. FORSYTH: Quite correct.

Mr. COLLINS: Notwithstanding that Great Britain imported her iron ore from other countries, she could manufacture it and produce it at £2 10s. per ton. We have been continually told that we cannot compete with other countries owing to the fact that we pay higher wages. I consider that higher wages mean the development of the inventive faculty of man. If we are going to develop as a nation at all, and develop the inventive faculties of our people, we must pay higher wages. Can the hon. member for Murrumba, or any other member, tell me any country that was ruined by paying high wages? I know many countries that have been ruined by paying low wages and adopting a system of servile labour. That is why their civilisation disappeared, because of the system of servile labour and slavery which they adopted. No country was ever destroyed through paying high wages.

Mr. MACARTNEY: For doing a fair day's work.

Mr. COLLINS: In New York to-day they are paying higher wages than they are paying in Australia. Can anyone say that the United States is ruined?

Mr. BOOKER: Piecework and bonus.

Mr. COLLINS: Nature has been most kind to us. In my own electorate there are enormous coal deposits, the coal belt being, I believe, larger than the whole area of Belgium, which, before the war, had a population of 7,700,000. Yet there are men in this House who decry any attempt to strike out and start new industries. They are always crying, "Where is the money to come from?" Where did the £60,000,000 of Australian money come from to carry on the war? Was not that all raised by the capitalists of Australia? Do you think they have exhausted their capital yet? No, there are hundreds of millions of pounds in Australia yet. The hon. member for Burrum stated that the capitalists were not investing their capital. What nonsense! No capital remains idle. When I put my money into the bank—I have not got much to put in—they pay me interest on that money. How do they pay that interest? I know something about the law of interest and capital, and the accumulation of wealth. We know that they have to invest that money to pay the interest on it. What is the use of members opposite telling us that the capitalists of Australia will not put their money into this concern or that concern? If they do not put it in directly they will have to put it in indirectly. If they want their money to earn interest they will have to put it into the bank or into the different industries. Members opposite think that we are only children on this side, and are just learning the ABC of political economy. What is the position to-day in reference to coal, because we have to take the two things together? It is necessary to develop the coal if we are going to develop the iron industry. This is the reason for the success of Germany in being able to carry on this war for such a long period of time. It is pointed out in this little book that it is owing to her organisation. This book was written in 1914 by one of the best thinkers we have in the United Kingdom to-day. He points out that we have been carrying on by the rule of thumb, while the German nation was carried on on scientific

and up-to-date lines. Some of the coalmines in Germany are under State control, and also some of the iron mines. Will anyone say that Germany has not made good so far as this war goes?

Mr. MACARTNEY: How much wages are paid there?

Mr. COLLINS: I will give you the output of coal, and you can judge for yourself with regard to the three countries I have referred to—

Country.	1875.	1911.
	Tons.	Tons.
United Kingdom	133,000,000	271,000,000
United States ...	46,000,000	453,000,000
German Empire ...	47,000,000	230,000,000

There is an enormous growth in those three countries, all owing to the development of the iron and coal industries of those countries. (Hear, hear!) The population has increased to far greater extent than the countries which are purely agricultural. Everyone knows that if we are going to develop this great State, we must do what Germany and the other countries have been doing, and that is, develop our iron and coal resources. We are not going to stand still with a population of 670,000 and 5,000 miles of railway. There is room here for millions of people. Hon. members opposite are always talking about assisting the British Empire. If we are going to do that, let us step out and do what this Bill proposes to do.

Mr. MACARTNEY: Is it only the members on this side who talk about assisting the British Empire?

Mr. COLLINS: Yes, on that side, but they have not got a monopoly of the British Empire. Let us step out and do what this Bill suggests. I am not afraid of nationalisation. I am not afraid of State control. I heard the criticism of the hon. member for Nanango in reference to the Ipswich Workshops. I do not claim to be an expert, but a few weeks ago I went through the workshops, and so far as I could judge, having been a worker myself for the biggest portion of my life—I do not know if I am classed as a worker now, as I do not know if members of Parliament are classed as workers—but I have done hard work, and when I was going through the Ipswich Workshops I did not see anyone loafing. I would be a coward to slander the men in the Ipswich Workshops or any other workshops under State control, who are doing their duty to the State. (Hear, hear!) The hon. member for Toowong interjected "Can you give the wages in Germany?" I cannot do that, but I will give the price of coal as it appears in this little work. I find that in 1911 in the United Kingdom the average price at the pit's mouth was 8s. 2d. per ton, in the United States of America 5s. 11d., and in Germany, 9s. 9d. In other words, although we may accept the argument that has been used that the United States is a high wage country, nevertheless we find that the average price of coal at the pit's mouth was the lowest of the three. I had the opportunity of going through the Blair Athol Mine, and I saw there that wonderful piece of machinery—the electric coal cutting machine. In company with the hon. member for Chillagoe, I had gone down a mine in the Burrum some years ago, and seen the miners there hewing coal with picks, and anyone who has seen them knows that that is a very slow process as compared

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with that which I saw at Blair Athol. That brings me back to what I said earlier in my remarks—high wages mean invention, the application of men's brains to production, or in other words, the application of machinery; that in cheap labour countries, such as China and India, they do work with human beings which is performed by machinery in the older countries of the world.

Mr. DUNSTAN: High wages mean a better labour product.

Mr. COLLINS: As the hon. member for Gympie interjects, high wages mean a better labour product. The higher the better, especially for the worker and the nation. When we come to consider, as this little book says, that it was not until 1840 that iron was smelted in the United States with coal fuel, we realise what strides that country has made. America started a century later than Great Britain. This book tells us that it was not until the eighteenth-eighties that America began to add seriously to the world's iron production, and yet to-day she stands right in the front rank. But they had a different sort of politicians from those who sit on the Opposition benches to-day. Those men had faith in their country just as I have faith in Queensland and this Commonwealth of ours. They had faith to do things. It is quite true that a lot of that progress was developed under private enterprise, because the age of State socialism, or socialism in general, had not come about. Socialism is the result of a growth of an evolution. Private enterprise has outlived its usefulness. These iron deposits have been here for generations, for thousands of years—millions of years, as one gentleman said for ought I know—but private enterprise has never attempted to develop them.

Mr. BOOKER: Oh, yes; you will find they tried it years ago, in Maryborough.

Mr. COLLINS: I am glad to know it; I am always glad to hear the truth. Maybe they failed, but that does not say that we are going to fail now. I know a friend of mine who went dairying under the old system and failed, but to-day he is worth hundreds of pounds under the new system of separators and other things. There is no need for me to speak at any greater length, but I wish to point out that in Iron Island, between Gladstone and Mackay, we have a very big deposit of iron which, I am informed, is owned by a Charters Towers company, who charge the Mount Morgan company a royalty of 2s. 6d. a ton—somewhat similar to the way they do in Great Britain. We are told that the deposit is 2,500,000 tons. The point I want to make out is that Iron Island is on the road to Bowen. Bowen will make a splendid site for the establishment of the State iron smelting works. (Laughter.) Everybody knows that we have over 40 feet of coal proved on the Bowen coalfields, and I am reminded that in the Flinders district there is a big deposit of iron ore, perhaps the biggest in Queensland, if not in the Commonwealth. I am advocating my own claims, just as the hon. member for Burnett; but there is no hypocrisy about me. So long as I represent Bowen I shall insist on her claims being brought before this Government or any other Government. I take it that is what we are sent into Parliament for. At any rate, no one can deny that if Great Britain finds it necessary to import one-third of her iron ore, owing to the fact that she has

enormous coal deposits, then it would be the right thing to take iron ore to Bowen, where we have enormous coal deposits. Of course, I know that at Kangaroo Hills, in the electorate of the hon. member for Herbert, there is a very huge deposit indeed of ore. At any rate, I hope to see the works established at Bowen. Of course, we can only go step by step. Even if we only start with the works to produce pig iron, that is one step in the right direction, and even if it does cost a couple of millions to start steel works, as suggested by the hon. member for Murrumba, a couple of million and some odd thousands—the odd thousands is neither here or there in this House, although it would be a lot to me; the hon. member usually deals in millions and seldom stoops to thousands—at any rate, we do not always get our works to pay. We dredge our rivers, do we not? We dredge our harbours, do we not? We make roads, do we not? And I am not aware that they pay any dividends. At any rate, as a ratepayer I have never received any dividends from them. But they are all necessary in the interests of the development of the country. Why should we always be dependent on some outside source? Why should we always have to wait for other people to make our steel rails? It is a reflection on our intelligence. We want, as Mr. Denham said on one occasion, to be bold. I do not know whether he was over bold at the last election, but, at any rate, he disappeared for the time being. (Laughter.) We want to be bold, not to be afraid, like the hon. member for Nanango, who delivered a "Yes-no" speech. In fact, I was a long time before I understood what he was going to do. He said he was opposing the Bill, and then he read out the preamble with its "other industries and for other purposes." As far as I can remember during my service in this House, those words used to occur in some of the Bills introduced when the hon. member was over here, and I did not hear him raise objections. Anyhow, that is quibbling. (Government "Hear hears.") You either believe in your State or you do not believe in it. If you believe in your State then go forward. Be not afraid. The future is all right. We may suffer a loss for the first year or two. Even suppose we suffer a loss for five years, does not the hon. member know that men like myself, who have been accustomed to goldmining, have paid calls for years and years and never received a penny dividend?

Mr. HODGE: I had the courage to follow your advice on one occasion, and I had the same experience.

Mr. COLLINS: The point I wish to make, in conclusion, is that there is nothing to be afraid of. I hope we shall see this Bill placed on the statute-book, see the production of pig iron at a very early date, and steel works established later on. And let us hope that hon. members will cease continually decrying the workers of Queensland by hinting that they do not work in the enterprises that are being carried on by the State at the present time.

Mr. BARNES (*Warwick*): The hon. member for Bowen says that there is nothing to be afraid of. The attitude of this side of the House is simply that we want to have our fears removed. If those fears were removed by sufficient information it is just possible—I do not say it is the case—that this side of the House might be with the Government. The introduction of this Bill follows the

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presentation of a very modest report by the commission which was appointed by the Government. It was considered that a report was necessary before an expenditure covering some £5,000 was made. Hon. members on this side hold that if a report was necessary in a small matter of that kind, then it is much more essential to have the information which the hon. member for Ipswich referred to as being forthcoming to the members of the Government before they launched out in the scheme in its fullness? The proposal is a positive insult to this House. The lesser information in the report is common property. There is practically no need at all for a report of that kind; it is old news. The information that this House wants is this—to what extent is the country likely to be involved by the passing of a measure of this kind and the entering upon works such as are outlined in the Bill? Certainly, for once the Government are showing consideration for the House in having a report presented and a Bill brought forward before entering upon an enterprise. But the fact is that the thing is of too great a magnitude for this House to decide upon—not that anyone, if it is going to be a good thing, should be opposed to it—without the fullest information. The Chief Secretary was informative to a degree regarding many aspects of the iron and steel question. He went to America; he went to other places; and he told us of the growth of the industries there. The same thing has been done by other speakers, but from the all-essential point of view the Premier has left this House positively in the dark, and has given no information whatever. We want to know to what the country is going to be committed; we want to know who is going to find the capital. Certainly, we are told in the Bill that the debentures will be issued and capital will be forthcoming, but surely it is fair that this House should demand that it should be in possession of the whole mind of the Ministry. The hon. member for Ipswich seemed to have a far better idea of the matter than the Chief Secretary or the Minister for Education. He indicated that the cost might run into a very considerable sum of money. The Minister for Education was quite confident that very little capital would be required.

It shows the utter ignorance of [8 p.m.] some hon. members who sit on the front bench when great questions such as this are brought before the House. He was altogether unmindful of the extreme cost that was involved in connection with the launching of a scheme of this nature. We have been told that over £2,000,000 have been expended in connection with the works at Newcastle, and yet the Secretary for Public Instruction said not much capital was required in connection with this matter. It is evident, therefore, that the Premier in the all-important aspect of this question—because it is a great question, and we are not blind to the possibilities of it—has not inquired as fully as he should have done before coming down to this House with such a proposal as this. We are told to-day that this is the most important Bill introduced by the Government. We are told further that the idea of this proposal was contained in the Barcaldine speech uttered three years ago. The Premier and hon. members opposite have taken a very long time to hatch this business. In the dying hours of this Parliament they come down with what they conceive to be the most important proposal which they have had to

bring before the House, and it is important. They have waited till the last days almost of the Parliament to lay before this House such a proposal as this and they have no information regarding it. They have had three years to consider this proposal; three years for the men interested to urge their case, and yet when the question is placed before the House, what information have we got in connection with it?

Mr. BERTRAM: And you are urging further delay.

Mr. BARNES: I am urging for information, and it is unfair to this House to ask members to commit themselves to a mighty expenditure without knowing the minds of the Government, and how far they are prepared to go.

The SECRETARY FOR RAILWAYS: How do you know it is a mighty expenditure?

Mr. BARNES: The Premier, when disclosing his mind on the matter, indulged in ideas of shipbuilding.

Mr. SMITH: Why not?

Mr. BARNES: You cannot go in for shipbuilding without capital. You must incur expenditure. I say there is a mighty expenditure involved in that connection. Surely we are going to learn by the failures and follies of the Federal Government in this matter. What was the experience of the Federal Government in regard to shipbuilding? The "Brisbane," constructed by the Federal authorities at Cockatoo Island, cost between £850,000 and £900,000, whilst her sister ships, the "Sydney" and "Melbourne," cost from £285,000 to £305,000, or one-third the amount. Surely, it is madness to talk of building ships without capital on the one hand, and on the other hand to talk of the construction of vessels when we are positively unable to compete with the other end of the world! The thing is utter madness. It is not a business proposal. I say, therefore, the proposal has not been matured as it should have been by the Government. If it had been they would have come down, and would have indicated to the House not only their full intentions and what the cost was likely to be, but they would also have indicated the business that was spreading out before them. It is not the mere establishment of works, but what business is going to follow a huge expenditure of capital such as is involved in this proposal, that we have to consider. When the New South Wales Government went into this matter they appointed a Royal Commission and went into it very thoroughly. We have heard a lot of talk to-day about our huge ore deposits. The Secretary for Agriculture spoke about our possessing the greatest ore deposits in the world, and the member for Bowen mentioned some deposit of 10,000,000 tons of iron ore. I find, according to this report, that the extent of this deposit in Cadia, New South Wales, is about 39,000,000 tons, and there are also large deposits in Tallawang, Mudgee, Woodstock-Cowra, Mittagong, and other places. We are simply labouring the matter when we run away with the idea that in Queensland alone there are huge deposits of iron ore. The point I desire to make is this: that the New South Wales Government, before they considered this matter, appointed a commission—not a little modest commission—to bring in a report such as was brought in the other day, in order to justify to some slight extent the

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introduction of this matter—which issued a report covering the whole question, and this is the rock whereon we are going to fall in Queensland. I have already charged the Premier with not finding out where the trade is to come from after the expenditure of this capital in the establishment of these works. He has not done so. He anticipates that all Australia is open to him.

Mr. SMITH: Of course, it is.

Mr. BARNES: The Royal Commission appointed in New South Wales said—

“For the economical production of iron and steel it may be accepted as an axiom that, provided raw materials can be procured at moderate prices, the question of economy of production depends, in a great measure, on the magnitude of the output.”

What output have we got in Queensland if we only establish these works to satisfy our own requirements? The commission further states—

“In order to arrive at a basis, therefore, upon which to build up an estimate of the cost of manufacture, it is essential to first ascertain what are the requirements of all the Australian States.”

Therein lies the mighty difference between the proposal of another State and that commission's report and the little, modest report that we have got regarding an expenditure of £5,000 in connection with the industry in Queensland.

Mr. MAY: How much did you start on?

Mr. BARNES: If you came down and started on those modest lines probably you would have had this side of the House with you. It is the unknown quantity that we object to.

Mr. MAY: That is just what we are doing; starting on modest lines.

Mr. BARNES: The Bill covers a great deal more than that, such as the issuing of debentures and doing things at your own sweet will. We are not prepared to accept your proposals nor to trust you with the expenditure. Reference has been made to the price which will be obtained for pig iron. The Secretary for Agriculture seemed to have before his mind the idea that they would get £6 a ton for it. I find in New South Wales, according to the report of the Royal Commission, that pig iron has been produced at a cost of £3 6s. 6d. per ton. According to the report it would appear—

“that Messrs. G. and C. Hoskins consider the contract prices for No. 1, No. 2, or No. 3 pig iron (average £4 7s. 6d., plus, say, 8s. freight and charges, delivered) as unreasonable . . . . As a matter of fact, an inspection of their books will show that the pig iron used for the pipe contract is charged at £3 17s. 6d. per ton, while for other works, outside the contract with the Government, the charge is £3 6s. 6d. per ton.”

So you see we have had put before us the extreme price that we are likely to get for pig iron.

The TREASURER: What date is that?

Mr. BARNES: It is certainly some little time ago. It is right, however, as showing the caution with which the other State went about this matter, to read a portion of the report of Mr. F. W. Paul, the Commissioner appointed to inquire into this matter.

The TREASURER: Do you know the price that pig iron is fetching in Queensland now?

Mr. BARNES: I do not know the price, but I have heard it stated. I know the conditions are abnormal to-day.

The TREASURER: It is not £3 6s. 6d. per ton.

Mr. BARNES: What man is going to estimate results on the exorbitant figures that rule to-day. It is an utterly false position to take up. That is what the report says—

“I have reviewed this question from every conceivable standpoint, and may emphatically state that I can see no practical reason why Australia should longer delay in taking her legitimate place as one of the great producers of iron and steel.

“In dealing with the full development of the industry in Australia, I have not taken into consideration the question of exports outside the Commonwealth, other than the iron and steel at present transhipped, and which is included in the return from the Customs authorities already referred to. Indeed, it is quite unnecessary that I should do so, for to meet the Commonwealth's own requirements would demand such a capital outlay, and the enterprise would be on such a scale, as would rank it amongst one of her great industries, approximating to a turnover in respect of such material as I have dealt with in this report, of from £3,000,000 to £4,000,000 per annum.

“Apart altogether from any considerations of bounty, Australia's requirements demand an iron and steel works of such magnitude that economical production would be assured, and her geographical position, with the consequential heavy oversea freightage payable on imported material, has, in my opinion, an important bearing on this aspect of the question.

“With the opportunities I have had of investigating the question of development of the steel industry in all its bearings, and although satisfied that my computations as to cost are reliable, I am forced to the conclusion that, as the Governments of the respective States are the greatest consumers, the success of a venture on a scale compatible with meeting Australian requirements will depend largely on the question whether the Governments of the various States are prepared to co-operate by drawing their supplies from a common centre.”

That is our history. The report proceeds—

“It only remains to point out that in arranging for an iron and steel works on a scale such as would meet the demands indicated, and based on the official statistics of the Customs authorities before referred to, an expenditure of approximately £1,500,000 would be entailed.”

Now, I think that this House, with that information before them, is justified in saying that the representation of an outlay of £5,000 is not sufficient; and that, until they are given the full information as to the amount that may be required in order to equip iron and steel works as they should be equipped in this country, this House has no right to consent to the proposals of the Government. Then there is the other aspect. There is the aspect which has become significant in various directions heretofore in connection with enterprises entered upon—or some of them—in the other

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States and here, that the people themselves have to shoulder not only the responsibility but the weight of the tax which follows the entry upon enterprises which become inflated in the eyes and minds of Ministers, and that are not, on the whole, business proposals. This House should be in full sympathy with the introduction of works such as have been outlined this evening under the Bill. Whilst agreeing that if we are to make Australia attractive we must have industries of this kind and pay a good wage, yet I say the information that should lead us to come to a conclusion approving of the recommendation of the Government as outlined in this Bill is insufficient, and the Bill should be vetoed by this House.

Mr. BARBER (*Bundaberg*): I was completely astonished this afternoon to hear the bitter anti-national, anti-Australian speeches delivered from the other side of the Chamber.

Hon. J. TOLMIE: I am sure you say it in all kindness.

Mr. BARBER: Probably I have no reason for being astonished, because they are quite in keeping with the speeches delivered when the Liberal Government were in office. I think that members sitting on this side of the House, in common with members on the other side of the Chamber, are well aware that on many occasions deputations have waited upon the members of the late Liberal Government when contracts were being called for water pipes, tee pieces, and valves; and when we asked that they should encourage the manufacture of these pipes in our States it was pointed out that owing to the additional cost it was a bad and a wrong policy to encourage the spending of extra money for such purposes. That is practically the tone of the speeches of hon. gentlemen here this afternoon and evening. It seems to me that, as far as Queensland is concerned, the time is never to be opportune for the establishment of any local permanent industry here. We have heard quotations, from a volume, by the member for Warwick, who apparently has worked himself up into a perfect state of frenzy to try to prove that this was another scheme whereby the taxpayers of Queensland were to be swamped with taxation—that the one fell design of the Government and its followers on this side was to load the taxpayer and to rob the people generally. Is Queensland always to be in the background in the matter of local manufactures? Do not the young, growing generation of Queenslanders deserve some better treatment from the party opposite in being given an opportunity to learn the technicalities of the various industries? Yet, no sooner is a practical proposal introduced into the Chamber than it is practically damned from A to Z and from Genesis to Revelation by hon. gentlemen sitting on the other side of the House. The hon. member for Warwick sees no good in the proposal at all. Why, Mr. Speaker, you remember, as well as many other hon. members of this Chamber, only about two or three years ago the picture which was drawn by the hon. gentleman's florid, romantic imagination, when he was advocating the construction of the Urangan Pier. He pictured to this House that there would be boiling-down works, metallurgical works, and a thousand and one other great factories reared there. The hon. gentleman worked his imagination pretty well on that occasion. But

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here is a proposal—a practical proposal—introduced by the Government, that means more to the people of Queensland and to the State than a scheme that was outlined some years ago by the hon. gentleman. We have the fact that the cost of pig iron has increased very considerably during the time of the war; and, in my opinion, it will be a long time before we get back to the normal condition of affairs, when pig iron will be anything like the same low price which it was in pre-war days. Hon. gentlemen must recognise that with the hundreds of thousands of tons of iron and steel which are being consumed for ammunition purposes, both in shot and shell, and other purposes, it has practically set up such a demand for that kind of material that even after peace is proclaimed, years, in my opinion, must elapse before we are able to get back to the cost which it was before the war. I would appeal to hon. gentlemen on the other side not to decry the resources of Queensland as they have done here this afternoon. On the one hand you hear hon. gentlemen telling us of its great possibilities—its immense potentialities—and a dozen and one other things; and yet when we come down with a sound, concrete, practical proposal, because the proposal has emanated from a Labour Government they see no good in it.

Mr. BARNES: A blank cheque.

Mr. BARBER: The hon. gentleman can talk shop, I admit, from January to December. It seems to me his mind is absolutely warped and distorted by selling henfruit, and things of that sort; but, when he comes to the big business things of life, or dealing with some great national industry, the hon. gentleman is practically snowed in and cannot get away from the small pound-of-sugar-and-half-a-pound-of-tea kind of business deal. In my opinion, whatever may be the deposits that we have in the way of iron ore in other States, we have a far greater number of immense iron deposits here in Queensland than in any of the other States of the Commonwealth. In the report quoted by the hon. member for Ipswich this afternoon, when that very interesting and educational debate took place here in 1904 on a motion moved then by Mr. Grant, it was shown that at that time we had tremendous iron deposits, and we had all the other material which was essential towards building up a fine iron industry. Now, I express the hope again that the hon. gentlemen on that side of the Chamber will forget about their small business methods and look at this thing in a broad light, in a big light, and see what it means to us as a State and what it means to the young generation of our Queenslanders. If we don't go in for these large industries and these big practical industries, what work are we to find our young people to do? How are we going to build up any great industries unless we start it some time or other? One hears hon. gentlemen continually decrying the resources of the State on the one hand and on the other hand talking about her great possibilities. This proposal is one that, in my opinion, should receive the most enthusiastic support of every member of this Chamber. It is one that means a great deal to Queensland. It may be that years will elapse before we are able to develop this industry as far as the manufacture of steel is concerned. It took the United States, as you know, half a century

pretty well to develop her iron industry and steel works. In 1890 the United States had never turned out a tin plate; but within three to three and a-half years after they had commenced the manufacture of tin plates they turned out approximately 400,000 tons. Prior to that the United States had to import all her plates. It seems to me that the importing fever or mania practically besets nine-tenths of the members sitting on the other side. They believe in the old importing theory, the old fanatical freetrade business, just the same as the Liberal Government have done in the past. I know on more than one occasion members of a deputation have waited on members of late Governments and have pointed out what it meant to us in Queensland, that it was a duty to our young people to build up our industries; and because the material cost a bit more they considered it was a bad business to encourage the construction of them here. The same thing has happened in connection with our steamship companies here. As you remember, Sir, there were times here when matters were brought under the notice of members of the Government, when wool was simply brought down to our wharves, dumped into German vessels, and taken from here to Sydney. None of our wharf lumpers got sixpence as far as being able to earn anything in the handling of the wool; and yet our own Australian vessels were running half empty along the coast.

At half-past 8 o'clock,

The CHAIRMAN OF COMMITTEES relieved the Speaker in the chair.

Mr. BARBER: That was because the German companies were able to run their boats here and because they were subsidised. The late Liberal Government took no action in helping to build up our own industries here.

Mr. SMITH: The Denham Government bought dredges from Germany, too.

Mr. BARBER: Yes; the Denham Government even bought dredges from Germany. Hon. members who take up the attitude that because this measure was introduced by a Labour Government there is nothing in it, and condemn it from A to Z, are working against the best interests of the State and against the best interests of our young people generally. (Hear, hear.)

Mr. GUNN (*Carnarvon*): I do not think that this Bill is necessary. I think it is only brought before the House for electioneering purposes. If it had not been that we were near an election we would not hear anything at all about this Bill.

The PREMIER: If it is such a bad Bill, why is it introduced for electioneering purposes? (Government laughter.)

Mr. GUNN: We know the Government started the State sawmill without a Bill, and they started buying cattle stations without any Bill. They also started the State "pub" and other industries without any Bill.

The TREASURER: Is the State "pub" an industry?

Mr. GUNN: I think it is an industry. I do not think that it is a profitable industry, but plenty of people in Queensland are making their living out of keeping hotels. The Government look round for a report to enable them to bring in this Bill, and they got the

report of the Public Works Commission. They got the commission to report on the advisability of starting iron and steel works, and I do not think anyone can find anything to take exception to in the report. As nobody has yet referred to the report, I will read it. It is as follows:—

"Your commissioners were particularly asked to inquire into the following, namely:—

(1) Location, quantities, and suitability of iron ore deposits;

(2) Location, quantities, and suitability of fuel supplies;

(3) Most suitable site or sites for central works;

(4) Primary cost of erecting and equipping such works.

"Before your commissioners can reply to these questions so far as they relate to the establishment of a complete iron and steel works a great deal of research work will have to be undertaken and much more information collected, which must take considerable time. Owing no doubt to the fact that no previous Government has ever seriously considered the iron question, the data in possession of the Mines Department is incomplete regarding the raw material either as to quantities or suitability for the successful establishment of an iron industry. A geologist from the Government Geological Survey Department has now been deputed by the Minister for Mines to specialise in this work, and has entered upon his duties. The site for a central works can only be determined after locating the largest and most suitable deposits of ore, coal, fluxes, &c. Information must also be sought outside of the State concerning the cost of an up-to-date iron and steel works.

"Sufficient evidence, however, has now been placed before your commission to justify them in coming to the following conclusions, namely:—

(1) That all the essentials are in this State for the successful manufacture of pig iron."

No one ever doubted that. I have seen mountains of iron in the Cloncurry district myself, some of the finest deposits in the world. Then, the report goes on—

"(2). That a complete plant for the manufacture of pig iron can be established at a cost not exceeding £5,000."

What a modest little report! It asks for only £5,000. Why, the Government spend more than that in building one locomotive in the Ipswich Workshops. The Minister for Railways would be justified in expending £5,000 in experimenting with pig iron in the Ipswich Workshops without coming to this House at all. There is no occasion to pass a Bill for this purpose through this House at all.

Mr. POLLOCK: How you would howl if there was no Bill?

Mr. GUNN: The Government introduced this Bill because they thought it would be good electioneering. They think it will be mutilated or thrown out by another Chamber, and that Chamber will be held up as an awful example of the iniquity of the Upper House. It will be used then for the purpose

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of asking the country to obliterate the Upper House because they prevented the establishment of State iron and steel works.

The PREMIER: We are not troubling about the Upper House. We only want iron works.

Mr. GUNN: I have read a number of reports in connection with ironworks, and it takes over £1,000,000 to start steel and iron works of any value to the country.

Mr. CARTER: Not for smelting only.

Mr. GUNN: What is the good of it, unless you turn out steel.

Mr. CARTER: Pig iron is very valuable.

Mr. GUNN: The Government have full authority to do that now, without bringing in a Bill to authorise it to acquire everything, like they did under the Sugar Acquisition Act. That Bill was passed through this House to enable the Government to acquire sugar; but, under it, they acquired galvanised iron, cattle, and all sorts of things. We know that the Government are out for the nationalisation of all the means of production, distribution, and exchange, but there is no business in this Bill. It is only introduced for electioneering purposes.

The PREMIER: It is contained in the Barcardine speech, and was put before the people of Queensland.

Mr. GUNN: This Bill is brought in in the hope that "another place" will throw it out. What is happening in other places? The hon. member for Warwick read a report which stated that before a successful iron and steel works is established it will be necessary for all the States to meet together and have a uniform system of ironworks. It will be better for the Federal Government to go in for experiments or have a Premiers' Conference to arrive at some uniform system so that the States could combine together.

The PREMIER: Is it not better to lead the way?

Mr. GUNN: I do not think you are going to lead the way.

The PREMIER: I believe we are.

Mr. GUNN: You are only electioneering, and this Bill is to enable you to send a little pamphlet around to the electors. When they started ironworks at Lithgow, they made no money; and, when the Broken Hill Company started works at Newcastle, they lost money. Yet, we think we are going to start iron works for £5,000. It is absurd!

The PREMIER: I challenge your statement that they lost money at Newcastle. They are duplicating their works.

Mr. GUNN: We have got plenty of industries that we can start without bothering about steel and iron. When this war is over we will have to compete with the rest of the world. In my own electorate there is a mine languishing for want of a railway. We should start that mine and dig out the ore and send it to the other end of the world to help England to make munitions that will be of value to everybody.

The PREMIER: We cannot build the railways because we have not got the rails.

Mr. GUNN: If you are going to do any good you will have to spend more than £5,000. If this Bill was limited to £5,000 or even £10,000 no one would say anything against it. But it is like giving a blank cheque signed by the State, and God only knows what is going to happen. I am only

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against the establishment of iron smelting in Queensland at all, but I am against a Bill of this sort with no business in it. It is a waste of time putting it before the House.

Mr. FORDE (*Rockhampton*): Before I entered this Parliament I had a very high opinion of Parliamentarians. I thought they were all honest gentlemen, and that they came into this Chamber with the best interests of their country at heart. But, alas! How I have been deceived. I find men on the opposite benches opposing a measure like this, which I consider is one of the most important measures that has ever been introduced into this Chamber. When they get up, insincerity is portrayed on their faces. Some members opposite say "I am not totally opposed to the measure," and others say "It will cost too much." Others condemn it, and say we should not enter into such industries in war time. The leader of the Opposition said that we should not establish such an industry to compete with the old country. Is that a statesmanlike way of looking at such important matters? We should foster Australian industries. Want of industries in Australia has crippled the country in the past, and it behoves the Government to take action where private enterprise has not taken the matter up. (Hear, hear!) I am of opinion that the electors of Queensland will agree with me that this measure is opposed by hon. members opposite mainly because it has been introduced by a Labour Government.

Colonel RANKIN: No.

Mr. FORDE: They know quite well that Liberal Governments would not be sufficiently farseeing or enterprising to introduce such a beneficial measure, and then they condemn it for all they are worth, fearing that the people will recognise that this Government is sufficiently active to introduce such a progressive measure. (Hear, hear!) We have been told by hon. members opposite that we should spend the money on railways. We know that £5,000 would not go far in constructing; while, on the other hand, the electors of Queensland will know that the £5,000 will be well spent in connection with this matter. It will be only a matter of time when we will be turning out our own steel rails, and be able to build our railways without importing the rails from America or England. That has been the chief obstacle in the way of railway construction in the past. I find that in 1914-15 there was an excess of Australian imports over exports of over £1,500,000. That shows the need for Australians to wake up—to realise that this country must be self-supporting, and that the iron industry is one of the most important that we could establish. Many others will naturally follow. But I say that we should get this moving at once. Australians in the past have been too slow. The matter has been brought forcibly before us in more ways than one since the outbreak of the present war.

The hon. member for Murrumba told us that he would not oppose the measure, but he feared that it would not pay. I have heard such remarks passed by the Rockhampton Chamber of Commerce. They said, "Oh, the present Labour Government do not mean to do anything; they are only window-dressing!" I have become heartily sick of that word since I have been in this Chamber. Every beneficial measure brought in by the

Government has been condemned as a "window-dressing" measure. Why cannot hon. members opposite be fair? Why can they not be honest, and, when a good measure is brought in, support it? Some of them fear that their constituents might give them an answer next year at the general elections, and so in one breath they say, "I would like a steel and iron works established, but the time is not opportune; they will not pay." This procrastinating attitude has hung up Australian industries for the last half century, and so things will go on if hon. members are continually howling retrospectively such as this. Some of them—such as the hon. member for Nanango—say that we will never be able to work our steel and iron works because of the "go slow" methods in the Government departments. I have worked in Government departments, and I have always had to work hard, and I think it is a great reflection on the great body of workers in the railway and other State services in Queensland to say it is impossible to carry out works successfully because they will not do as much work as men in other walks of life outside. (Hear, hear!) I hope the railways workers in the electorate of the hon. member for Nanango will remember his statement, and show him next year what they think of such slanderous remarks cast by one who, at election times, is always willing to give them warm hand shakes.

The Queensland Government, very thoughtfully, sent a geologist to Central Queensland to report on the iron ore deposits there, and I hope that the result will be that iron and steel works will eventually be established in Central Queensland. (Hear, hear!) In the Rockhampton district deposits of iron ore have been discovered at Iron Island, Olsen's Caves, Kalera, Stannage, Marlborough, Mount Fairview, Mount Morgan district, Alma Creek, and other places. The Government would be lacking in its duty if it overlooked the necessity for sending a geologist to Central Queensland, where there are such rich iron ore deposits. We have been told that New South Wales and other States are in a better position to start iron and steel works than Queensland. That is not so. Queensland is in a much better position, because New South Wales gets her manganese from Queensland, her iron ore from South Australia, and her lime from distant parts of the State; while in Queensland iron, coal, manganese, and lime are obtainable in the same districts. This Government did not take this measure up without first making exhaustive inquiries, without making provision to get experts to control the industries when they are established. We find that the Royal Commission on State iron and steel works in Queensland reported very favourably on this proposal. I shall just quote an extract from their report—

"Sufficient evidence, however, has now been placed before your Commission to justify them in coming to the following conclusions, namely:—

- (1) That all the essentials are in this State for the successful manufacture of pig iron;
- (2) That a complete plant for the manufacture of pig iron can be established at a cost not exceeding £5,000;
- (3) That such a plant could be utilised for the testing in bulk of iron ore from different parts of the State, thus

deciding whether the various deposits are suitable for smelting and converting into steel;

(4) That, taking present prices, and rates that must obtain for at least a considerable time after the war, the making of pig iron would be a profitable undertaking for the State;

(5) That the site chosen for such works would not in any way affect the selection of a site for central iron and steel works if finally decided upon by the Commission.

"We therefore beg to recommend that steps be taken forthwith to establish, at a site to be chosen by the Mines Department, a State iron smelting plant capable of producing pig iron commercially and of testing in bulk the iron ore deposits of the State."

I have no doubt that these recommendations will be immediately carried out; and, as a representative of Central Queensland and one who has studied its vast and rich resources, I advocate that the Central part of this rich State be not overlooked when ironworks are established. (Hear, hear!) We know that under past Liberal Administrations the Central districts have been very much overlooked; and now that this Government has helped Rockhampton and district along greatly, we hope that it will cap all that it has previously done by establishing ironworks in Central Queensland.

In view of the fact that pig iron is about £15 a ton, and the estimated cost of production at the State ironworks is about £5 per ton, I consider that success is assured for the iron industry in Queensland. The imports of iron and steel, and manufactures in connection therewith, into Australia in 1915-16 amounted to over two and a quarter million pounds, and why should we get all this material imported into Australia when we ought to be able to turn it out in our own country? It is regrettable that we Australians have been so apathetic in these matters in the past. I think it is because we have been living under apathetic Governments and that they have misled us. But now that we in Queensland are living under the regime of a progressive democratic Government, I hope we shall wake up to our responsibilities and give the Government of this country every assistance possible in pushing on with this very important industry. We know quite well that the shipbuilding industry should be established in Australia, and before we can successfully carry on that industry we must be able to turn out our own steel. It is most important that we should first establish our iron industry and then our steel industry, and so lead the way for many other industries instead of importing into Australia millions of pounds worth of goods from overseas. That is the only way we shall be able to people Australia—to make it a hive of industry, employing millions of people—not by being afraid to spend money, as under past Liberal Administrations, who have always been trying to balance the ledger to the detriment of the great body of the people of Queensland.

We must also necessarily have up-to-date coking ovens. Out of every ton of coal we should be able to get three-quarters of a ton of coke, 23 lb. of sulphate of ammonia, 8 gallons of coal tar, and 2 gallons of benzine. Those by-products will make the industry pay

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handsomely. We find that in Wales and other places the by-products bring in more than the coke does. So I say that an up-to-date coking plant is absolutely necessary if we are going to have successful ironworks. No doubt a great majority of the electors realise the trouble that existed in the Cloncurry district recently because of the shortage of coke. The Government had to send the steamer "Allinga" up North with supplies, and if we had an up-to-date coking plant in Queensland we would be able to turn out sufficient for the whole of Queensland, and send the surplus to the other States if necessary.

I sincerely hope that the little opposition that has been raised by hon. members opposite will not have any effect on the people of Queensland, and that greater wisdom will prevail in the other Chamber, where our friends should recognise the importance of this industry to Queensland; that they will rise above petty jealous feelings such as animate hon. members opposite, and recognise that it is in the interests of the great body of the people of Queensland that these works should be established; that they will not defeat the proposal because it has emanated from a Labour Government; and that because hon. members opposite, when sitting on these benches, neglected to introduce such a measure, they will not hold that this Government should go through its régime without establishing this industry. I say, "No," and I am sure that the great body of the electors are behind us and that they will condemn the vapouring of hon. members opposite and show their approbation of our actions, and their condemnation of their actions, at the general elections next year, when I hope the iron industry will have progressed to some extent, and the people of Queensland will appreciate it as it should be appreciated. (Hear, hear!)

HON. J. G. APPEL (*Albert*): I did not intend to speak on the second reading of this Bill, because at the time it was introduced I signified that I was in thorough accord with the proposals of the Government to do something which would prove, first of all, that we had deposits of iron of the best quality and that we had the necessary fluxes to enable us to produce iron of the best quality.

Mr. PETERSON: That has been proved.

HON. J. G. APPEL: I have listened to the hon. member for Toowong, but I did not take it that he was opposed to the establishment of iron or steel industry in Queensland. He simply pointed out, so far as I could judge, the defects of the measure we are now discussing. How any hon. member of this House, on whatever side he may sit, could say that that hon. member was opposed to the establishment of this great industry in this State I cannot conceive. I listened likewise to what fell from the hon. and gallant colonel who represents the Burrum. There is one thing to be said for that hon. member—that he thoroughly understands the subject which he was discussing; he is a past master in the coal industry and the coal industry is absolutely allied with the iron industry. From all he said, I could not learn that he was opposed to the establishment of this industry, but he criticised the measure from certain standpoints.

Mr. D. RYAN: Which you do not.

[*Mr. Forde.*

HON. J. G. APPEL: I am going to criticise it, but shortly, because it is really a Committee Bill. When members on that side of the House state that the Opposition are opposed to the establishment of this industry because we do not agree with everything the Bill contains, I really cannot conceive how they arrive at that conclusion. I

[9 p.m.] am not opposed to it. As I stated when the Bill was introduced, I believe that this is a matter probably of more importance to the State of Queensland than any other measure introduced by the present Administration. The basest of metals plays the greatest part in the wealth of any country where that metal exists and has been manufactured into iron and steel. I have only to refer hon. members and the electors of the State to the statistics of the world to bear out that contention. Let us take our own motherland, Great Britain. If it were not for her iron deposits and for the manufacturing which she has established in connection with her iron ore deposits, where would be her pre-eminence as a manufacturing country? Where would be her pre-eminence as a shipbuilding country? Then let us consider that little kingdom of Belgium, which to-day is overrun by the enemy. Whence has arisen the wealth of that little kingdom, with her small area and comparatively small population? From her coal and iron deposits and from the manufacture of iron and steel. Read through the economic history of every country in the world, and you will find that those which have deposits of iron ore, and which have entered upon the manufacture of iron and steel, have a pre-eminence so far as economic conditions are concerned; a pre-eminence so far as wealth is concerned. Gold and silver and all the valuable metals, of course, are of value to any country in which they exist, but above all those, countries which possess the basest metal in conjunction with coal and the fluxes have a pre-eminence over other countries, however rich they may be, whether it be in precious metals or in precious stones. We find that the United States of America, owing to the iron deposits and the fluxes which exist there, to-day have a wealth which enables them to assist the allies, and which wealth, I venture to say, will be a most important factor in winning the titanic struggle in which we are engaged to-day.

The PREMIER: You believe in the Bill.

HON. J. G. APPEL: I believe in the principle of the Bill. We have iron deposits which, I venture to say, are not excelled anywhere in the known world. Wherever you go you will find a wealth of iron deposits. We have limestone, and we have the coal.

The PREMIER: And we have the manganese.

HON. J. G. APPEL: We have not alone the iron ore, but we have the manganese, the molybdenite, and all the fluxes which would enable us to produce the finest iron in the first instance, and in the second instance the finest steel that is produced anywhere in the world.

The PREMIER: Yet there are hon. members who say these things cannot be utilised by ourselves.

HON. J. G. APPEL: I do not know that any hon. member of this Assembly has made such a statement. I think the Premier is going a little beyond the mark when he makes that statement, because I have listened to the debate on this Bill, and the

only objection to it that I have heard is that the Government propose to go beyond what is legitimate enterprise. I think I am correct in saying that many years ago the Administration of that time offered a bonus for the production of pig iron. I do not think they went beyond the manufacture of pig iron. But no private enterprise took the matter up. We are possessed of wealth in connection with the more valuable metals, and the development of those industries engaged the attention of capitalists. Our iron deposits were neglected and the matter allowed to rest, but, reading the economic history of the world to-day, anyone who is a student, and who has followed the whole course of economic production and enterprise, will realise that the production of iron and steel after the conclusion of the war will be one of the most important factors in the future prosperity of any country where those products exist in their raw state.

The PREMIER: We have them all.

HON. J. G. APPEL: Here in Queensland we have them all. In our Southern districts, in our Central districts, and in our Northern districts we have them in the fullest quantity, and of the best quality, and the only question is whether we will be enabled to compete with the rest of the world in the manufacture of iron and steel. That all rests with those who are employed in the industry. Even hon. members sitting on the Treasury benches must admit this, because it is a fact if we are to compete with the nations of the world. Remember this: That we will not alone have to compete with men of our own colour, because from the fact that we have had to enlist the strength of our Japanese allies we will have to compete with coloured men. I refer now to members sitting on both sides of the House. We will have to compete with coloured men, where strikes are not practicable, and where wages are not what they should be. I have no hesitation in saying that nobody can have any objection to the wages paid in the Commonwealth. But it is not a question of wages. It is a question of the continuance of work. If those who are employed in this industry will only give the value of the wages which they receive, then I have no hesitation in saying that Queensland, with all the wealth that Nature has given to her in this connection, will be able to compete, not alone with our own people, but with the coloured men. That is why I expressed the hope that the Premier will make some provision in this Bill whereby strikes will not be possible in this industry.

Mr. PETERSON: Lloyd George cannot stop strikes.

HON. J. G. APPEL: These men will be servants of the State, and will not be interested in private enterprise. Hon. members must realise that in connection with men employed in the great State enterprises there should be no sympathetic strikes. They are servants of the State. The whole State is dependent upon them, and surely there should be no sympathetic strikes, because they should realise that this is a matter that transcends any private enterprise. I trust that some provision will be made whereby strikes and sympathetic strikes will not be possible. It does not matter what the wages are, if those employed in the industry will only give the value of the wages that they

receive and will not strike, then the enterprise will prove a success. I think I am correct in saying that, but if we are to suffer from strikes despite the wages agreed upon—if we have sympathetic strikes—I venture to say that, with the competition which we will have in the business, it will not be a success. I hope that it will be a success, and I hope some method will be evolved whereby those who are employed in all our great State utilities and State enterprises will realise that they have a duty not to the unions, but to the State; that their union is the State. Let them receive the wages awarded to them and let them be of the best, but let them continue in their work, and if they continue in their work, I venture to say the enterprise will prove a success and will add to the prosperity of this great State of Queensland, which possesses all that is necessary to produce the best iron and steel obtainable. Any State which possesses these metals and enters into this great industry will, after the war, take foremost rank amongst the nations of the world.

The PREMIER: Queensland leads.

HON. J. G. APPEL: It would only be a matter of a few years when you will see no woodwork in our vehicles. I have seen vehicles within the last few days—wagons imported from America—the bodies of which were built of light steel in place of wood.

The PREMIER: The railway carriages in America are built of light steel.

HON. J. G. APPEL: Yes, all steel. Everything will be built of steel; and we know that if it is built of steel, it is far more durable than timber. We know that the great buildings which raise their heads almost to the skyline in the great centres of New York and Chicago are all practically of steel. Steel is the great future material of the world. We have to realise that we are emerging from our infancy, and in the days to come the produce of steel will enable us not only to do away with timber—which is nothing like so durable as steel—but to enter into this great enterprise and to compete with the nations of the world. I mention the fact of shipbuilding. If we are able to produce iron and steel, there is no question about it we will be able to enter into shipbuilding.

The PREMIER: Of course we will.

HON. J. G. APPEL: When you read the history of the world, you see that the nations who have progressed and who are wealthy are the nations who have been carriers on the sea. First of all, the Spaniards were the carriers, then the Dutch, and then our own nation entered into competition, and it was even necessary to pass an enactment by which no cargo could be carried to British colonies except in a British bottom. We realise that, owing to that seaborne traffic, our own Empire is what it is to-day. We know that the wealth of our enemies—the Germans—is caused by the fact that they entered into the carrying on the seas by means of their steel and iron production. When we realise that, perforce it must strike every man what a good thing it is. I don't care where it comes from—whether from my opponents or from my own side. Any party who will give a fillip to the production of iron and steel I say deserves commendation.

The PREMIER: Hear, hear! that's the proper way to talk.

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HON. J. G. APPEL: In speaking on this subject, I mentioned it was a good thing that the Government should enter into this matter, in order to show private enterprise what might be done. Now I realise, when I peruse the Bill, that the present Administration had not realised that private enterprise may play a great part in this matter. Of course, the present Administration may be of opinion that they don't want the assistance of private enterprise.

The PREMIER: We want the assistance of everybody.

HON. J. G. APPEL: Any man who reads the commercial history of Holland, and of our enemies the Germans, must realise that private enterprise has played, and always will play, a great part in these enterprises.

The PREMIER: We did that from the start.

HON. J. G. APPEL: What I thought the Administration proposed to do was to give evidence of what might be done; and, giving evidence of what might be done in connection with this great enterprise, that private enterprise would then enter into the matter. I believe firmly that, after the peace which we all long for—which every member in this Legislature and every person in the community longs to see firmly established—there is a great future before the States of the Commonwealth; and if the Administration shows what can be done in connection with this great industry and gives private enterprise opportunities to enter into it, I believe there will be a great influx of capital in connection with this particular matter.

The PREMIER: Of course there will.

HON. J. G. APPEL: The Premier says, "Of course there will." Then, I say, why—in connection with this particular Bill—does he make provision which practically proposes to make a monopoly of the whole thing so far as the State is concerned?

The PREMIER: Where is that provision? There is no such provision.

HON. J. G. APPEL: Unfortunately, I have not had much opportunity of reading the measure.

The PREMIER: I can assure the hon. member there is nothing to that effect in the Bill.

HON. J. G. APPEL: I have listened to what fell from the hon. member for Toowong; and so far as he was concerned, his criticism was one that ought to receive credit from every member of this Assembly. There was nothing in opposition to the measure; it was simply a criticism. Well, then, I want to know why should the Premier propose to introduce in this measure those provisions by which he suggests the acquirement of foundries, wharves, and so on.

The PREMIER: That is not so. You don't suggest that we do that?

HON. J. G. APPEL: Here we have it in subclause 3 of clause 3.

The PREMIER: We must be authorised to establish works.

HON. J. G. APPEL: I understood the hon. gentleman proposed to establish certain works which would deal with this matter.

The PREMIER: That is my idea.

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HON. J. G. APPEL: That is all the Bill gives us. Why do you want to propose the acquirement of steamships? Why not build them? Why do you want to commandeer them?

The PREMIER: There is no proposal to commandeer.

HON. J. G. APPEL: You have any amount of wharfage.

The PREMIER: There is no proposal to commandeer ships or wharves in the Bill.

HON. J. G. APPEL: Here it is—

"He may take, purchase, contract for the use of or otherwise acquire or provide and construct and erect buildings, structures, smelters, factories, foundries, warehouses, wharves, plant, equipment, machinery, tramways, ships, vessels, and other fixed or movable appliances or works of any description."

The PREMIER: Why should not we be able to make a wharf?

HON. J. G. APPEL: You have plenty of wharfage on the Brisbane River. What do you want to buy foundries for?

The PREMIER: We don't want to buy foundries.

HON. J. G. APPEL: Are not you able to establish foundries? This is a matter that I never can understand. The suggestion was a good one; the proposal was a good one; it certainly meets with my approbation as a native of this State—knowing as I do the possibilities of the State so far as that industry is concerned. In every proposed measure of the present Administration, you find this provision for acquiring the property of others—a private person or companies—who have engaged in the enterprise. You can do it without going in and acquiring their properties.

The PREMIER: No, you cannot.

HON. J. G. APPEL: You don't want to buy their foundries. I understood from what the hon. gentleman said that the proposal was for the State to establish these things.

The PREMIER: So it is. Take, for example, the owners of Aldershot.

HON. J. G. APPEL: You can get it; they offered it to me when I was Minister for Mines. There is no objection to that. If you are going to enter into this matter, why should you want to acquire foundries such as Walkers Limited?

The PREMIER: You have no power to get Aldershot unless you have a Bill passed through Parliament authorising it.

HON. J. G. APPEL: Why does the hon. gentleman defend that? What I say is, we have private enterprise which is engaged in those industries. I am not opposed to the measure; I am simply urging that if the hon. gentleman is honest and bonâ fide in this matter, let the State launch out into this matter. Why do you want to go and take people's private enterprises? This matter is quite outside that. I am quite prepared, as far as I am concerned, to vote for every measure to provide the necessary capital to do all that is required for the purpose of establishing this industry; but why should you go and interfere with private enterprise?

THE PREMIER: Supposing I wanted to buy a vessel to bring iron ore from Iron Island? I cannot do it unless we have authority under this Bill.

HON. J. G. APPEL: I have every consideration for the Premier personally; but since that provision in the Sugar Works Act I always have a certain amount of suspicion of any of these matters, and I think it is a reasonable one.

THE PREMIER: You have suspicion without reading the Bill.

HON. J. G. APPEL: Why cannot the hon. gentleman go and build these vessels; why does he want to interfere with private enterprise? We will take, for instance, private vessels engaged in the commerce of the State. They are quite outside this matter. Let us analyse this for one moment. What does he want steamers for?

THE PREMIER: I want to build ships.

HON. J. G. APPEL: You have your railways. The coal is on the railways, the iron is on the railways, and the limestone is on the railways. What do you want the steamers for? Why do you have a provision here whereby you are going to buy steamers?

THE PREMIER: Will you let me answer your question?

HON. J. G. APPEL: No, I am not going to. (Loud laughter.) My time is limited. I say, in answer to the Hon. the Premier's interjection. What does he want the steamers for—to carry coalsacks to Mackay, to carry food that he neglected to do to the poor unfortunates in the Gulf? I say, let him build the steamers that he may want; and the more steamers that he can build for freighting and for trade the more I will support him in connection with that matter and the better he will do it, and the more will he prosper the people of Queensland.

THE PREMIER: That is what I want to do.

HON. J. G. APPEL: I am just mentioning these matters incidentally, because I cannot see why the hon. gentleman wants to acquire wharves. He has any amount of wharfage. Let him build them, and I will support him. He has any amount of frontages on the Mary River; he has any amount of frontages on the Fitzroy; he has frontages everywhere. In fact, I understand that the Harbour Board of Rockhampton have offered to give him the whole of their wharfage accommodation. Let him put here the provision to acquire the Rockhampton Harbour Board wharves and I will support him; but why should he simply give himself power to acquire any wharves that have been established by private enterprise. He might go in, as we know, and acquire municipal wharves.

THE PREMIER: Will you let me explain?

HON. J. G. APPEL: We know the casualistic sentiments of the hon. gentleman. Just as he proposes to close one of the most important streets in Brisbane to establish a State market, so whenever he introduces a measure he wants to have power to put his hand down on wharves that had been established by municipal or private enterprise. I say I am opposed to that, because the State has wharves and they have wharfage;

they have any amount of accommodation, and I will support them if they want to increase it.

THE PREMIER: You prove that you have not read the Bill.

HON. J. G. APPEL: Now, there is another matter that I want amended. The Premier proposes to pay with debentures in connection with these matters.

At half-past 9 o'clock,

THE SPEAKER resumed the chair.

HON. J. G. APPEL: During the time that the late Administration were in office it had been pointed out to us by our financial advisers that it was a great mistake for the State to issue small amounts of debentures.

THE PREMIER: Do you think we should issue large amounts?

HON. J. G. APPEL: Yes, and pay cash for any purchase you make. At the present time the quotations for Queensland  $3\frac{1}{2}$  per cent. debentures on the Brisbane Stock Exchange is a trifle over £70. Those debentures are free of State and Commonwealth taxation, and yet they are quoted at £70 odd. That proves exactly the contention of our financial advisers. It is a great mistake to issue small blocks of debentures, because they practically reduce the credit of the Government, whereas if the Government issued their debentures on the London market, or issued them in Queensland at par for a trifle more than  $3\frac{1}{2}$  per cent. it would be far better. It would be far better to pay the cash than to issue small lots of debentures, because the people to whom these debentures are issued are naturally anxious to get the cash, and the result is, as we find, the credit of the State is reduced. When you see £100 debentures quoted on the Brisbane Stock Exchange at a little over £70 per cent., it proves what I am urging on the Premier.

THE PREMIER: Who issued the debentures you speak of?

HON. J. G. APPEL: You issued them to purchase stations.

THE PREMIER: Never.

HON. J. G. APPEL: The previous Government did not issue any.

THE PREMIER: We never issued any debentures at  $3\frac{1}{2}$  per cent.

HON. J. G. APPEL: At what price, then?

THE PREMIER:  $4\frac{1}{2}$  per cent.

HON. J. G. APPEL: Then they are quoted at a little over £70.

THE PREMIER: Then bring along as many as you can get at that price.

HON. J. G. APPEL: If you are going to buy any properties you should pay in cash. That is the advice we received from the Agent-General.

THE PREMIER: I would advise you to buy all the debentures you can get at £70.

HON. J. G. APPEL: I will try to get a few. If the hon. gentleman had not taken so much out of me in the way of taxation I would have had a few more. But there is the credit of the State involved. The hon. gentleman thinks when I am speaking in this

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way that I am speaking antagonistically. As a matter of fact I am supporting his Bill.

The PREMIER: You are anxious about the debentures.

HON. J. G. APPEL: I was saying that the hon. gentleman was making a great mistake in paying for his purchases by debentures. It would be better to make a big issue to cover the whole expenditure and pay in cash. The debenture-holders always want to get the cash, and naturally they are prepared to sacrifice a little.

The PREMIER: Those debentures must have been issued by your Government.

HON. J. G. APPEL: No, because we never issued any here. Acting on the advice of our financial advisers, we always paid in cash.

The PREMIER: Don't you think I have got financial advisers, too?

HON. J. G. APPEL: Well, all I can say is that they must have changed their minds. It shows the fallacy of their advice, and it is a sad parody on their advice when you can see  $3\frac{1}{2}$  per cent. debentures, free of State and Federal taxation, quoted at £70 odd on the market. You can see it any day in the week. I am not antagonistic to this Bill. I am simply offering advice from experience, and it is experience which the hon. gentleman ought to have to-day when he sees the quotations which exist.

The SPEAKER: Order! The hon. gentleman has exhausted the time allowed him under the Standing Orders.

HON. J. G. APPEL: It is a Committee Bill, and I will have a little more to say when the matter comes before Committee.

Mr. ARMFIELD (*Musgrave*): I rise to support the Bill. The hon. member for Albert said that it was the most important measure introduced by this Government. I say that it is the most important measure ever introduced into Queensland by any Government. If this measure is passed and this industry is started, it will be the greatest benefit to Queensland and Australia of any industry ever started. I have heard no argument against the Bill by the Opposition. The only argument is that we cannot compete against other countries. That was the argument used by the old free traders years ago for the purpose of preventing industries being started here which would interfere with importing. Not many years ago, when New South Wales was importing all her locomotive engines, the same argument was used—that we could not build those locomotives in New South Wales, and that we could not compete with other countries in building them. But I am pleased to say that, through the agitation of men who wished to see Australia go ahead, the locomotives were eventually built in New South Wales, and to-day they are using only Australian-built engines there. It has been proved that we can produce locomotive engines equal to any builders in the world, and also at as low a rate. I was sorry to hear members opposite disparage the Australian workmen.

Mr. BEBBINGTON: No, we did not.

Mr. ARMFIELD: I claim to be an Australian workman, and I maintain that our  
[*Hon. J. G. Appel.*]

Australian workmen are equal to any workmen in any part of the world at any class of work you like to put before them. In the event of the Government starting these works, you will find that our workmen are quite equal to the occasion. I also heard an hon. member mention about our workmen not doing as much work as they should. I have been through the Ipswich workshops—I believe I am as good a judge as he is of men doing their work—and I feel certain that the men in our Government shops work just as hard as they do in any other shops. (Hear, hear!) If they did not do so, we would not be able to produce our railway carriages and our railway engines at the price we do. I think it is wrong of hon. members to try and discourage our young men. I really thought that when this Bill was introduced we should have had the support of every member in the House. I think myself that every man who has the interests of Australia at heart should support a Bill of this description. I am pleased to know that they have some broadminded men on the opposite side of the House, and that the hon. members for Albert and Burnett are going to support the Bill. So far as iron ore is concerned, we have in Australia some of the finest ore in the world. That has been proved—and more particularly in Queensland. We have iron ore in four States of Australia, namely—South Australia, Tasmania, New South Wales, and Queensland. I have spoken to men who understand something about the quality of iron ore, and they have assured me that the ores that have been tested in Queensland are better than any other ores in Australia. I think myself it would be wrong of any Government to allow that ore to remain where it is to-day without doing something to develop it. I think the present time is opportune for starting these works. Members opposite say that when the war is over we shall have to compete with other parts of the world. In my opinion, for many years after this war is over there will be a shortage of iron and steel in the old country. (Hear, hear!) It will take them all their time to supply themselves. This is the time to start these works. Had the Federal Government taken action in 1903, when they were discussing the establishment of ironworks in Australia—and many a time I was in the Federal House listening to the debates—if they had taken the advice of those who recommended the establishment of ironworks then, Australia would be in a different position to what she is in to-day with regard to the supply of steel rails and the other iron material she requires. Even from our small ironworks at Newcastle—the output there is small compared with the output of ironworks in other parts of the world—at the present time we are sending steel to the old country for shell-making. That proves that even the small works there have been of advantage to the British Empire. What would they be able to do if the works had been started years ago in the various States, turning out five or six times the amount of steel that the Newcastle works are turning out? We would not now be in the position of having our railways hung up, other works standing idle, and also our manufacturers paying the price that they have to pay at the present time for material. Iron plays its part in almost every industry that is going. The manufacture of iron and steel is one of the most important industries that we could have. This Government deserves every credit, not

only from the people of Queensland, but from the people of Australia, for bringing forward a Bill to establish State iron and steel works. I believe that when these works are started, they will be the forerunner of other works being established. (Hear, hear!) I only trust that it will not be long before the Government come down to this House and ask for a much larger sum than £5,000. The £5,000 may be enough to produce pig iron, but if the Government spend £500,000—notwithstanding what the Opposition say—it will be well spent in the development of iron and steel works. (Hear, hear!) I also heard hon. members quoting the Newcastle works as having lost £200,000. Those works are simply in their infancy, and the men who have sunk £200,000 in them have not done so without being able to see that before long they will be able to recoup themselves and also make great profits. I hope—in fact, I am certain—that this House will pass this Bill; and I feel certain that the people outside will give credit to this Government for passing a measure which will be of great advantage to the State of Queensland and to Australia.

Mr. MAY (*Flinders*): I am in entire support of this Bill, and I am pleased to see that there are members on the other side who happen to have travelled and know something of the possibilities of the district which I have the honour to represent—that is, the hon. member for Albert and the hon. member for Burnett. They are the only two members sitting opposite who have spoken in favour of this Bill. Why? Because they have seen the immense deposits of iron ore in my district when they went out to different functions. I heard the Premier refer to the Cloncurry deposits. That hon. gentleman has not been in that district, but if he had been there, he would have been more enthusiastic. As you, Mr. Speaker—and all who have been in that district know—we have there the Iron Mountain—which is about 3 miles in circumference at the base—within 2 miles of Cloncurry. It is something like 200 feet high and 94 per cent. to 95 per cent. pure iron. In all that district we have iron ores which the miners have been carting some 10 or 15 miles, and when the Coreela Mine was working, they were carting iron ore of 70 per cent., just picked off the ground, by means of tractors, in to the smelters. I am sorry to say that that mine was not a success. These facts bring out strongly the fact that we have immense deposits of iron ore throughout Queensland, and if we can only get the coal in conjunction with the ore, we can produce iron as cheaply as in any other part of the civilised world. I am sure that if only a few members of the Opposition would travel round the districts where iron ore deposits exist, they would have a very different opinion of this Bill and would support it far more heartily than they have done. Now they are trying to oppose it in every possible manner. Nevertheless, during this debate we have had an amount of support from some members opposite which we hardly expected to get.

There has been a lot of talk about the amount of capital required to start these works and produce pig iron. We have started in a small way. Every industry must have a small beginning, and we will increase and

extend, as all businesses do. All the business men in Brisbane—the rag merchants, the brewing merchants, and others—started in a small way, and rose to the immense wealth they possess to-day; and if we start this industry with a small capital of £5,000, it will extend and redound to the credit of the Government who initiated the proposition. (Hear, hear!)

Mr. BEBBINGTON (*Drayton*): I understand this is purely a Bill to test some of what are practically the unlimited resources of our State. I have not been in the electorate of the last speaker very much, but I have seen right along the range, almost from Charters Towers to Cloncurry, country which, I believe, contains almost unlimited mineral ore which has not been prospected at all in many cases. I saw one goldmine which was supposed to be going 4 oz. to the ton, but the men had 200 miles to cart their food and other requirements, and there was always the danger of starvation either by flood or drought, because there were no bridges over the rivers. The result is that the whole of those mines are practically lying idle at the present time. I am sure that every hon. member will be glad to do anything that will assist the State in developing those resources.

But we are faced with this great problem—that something will have to be done in regard to labour. Before the Federal Prime Minister could go on with ship-building, he had to consult the different trades and people interested, to see if some arrangement could not be made with labour, so that, as the hon. member for Albert said, things would not be hung up at a moment's notice. We know that quite recently, without any provocation whatever, one of our industries was hung up practically at a moment's notice. One hon. member said that we were running down Labour. I think the hon. member knows better than that. He knows that we have had to work, and that we like to see men get the results of their labour; but we do not like to see them led by men who would destroy our industries, throw down the tools and ruin the industries at a moment's notice. That is the thing we are up against, and we have to compete with other nations who may pay less than we do. We believe that the Australian has proved himself to be as good as any other man on the battlefield—which is the greatest trial possible—and if you give him the same incentive and encouragement in any other sphere, he will do quite as well. But the trouble is that when we come to working our industrial resources there seems to be a different spirit at work—there are certain people who would limit his output and also limit him as to his earnings. I think that if we had some co-operative system by which men could work together and get the results of their labour, so that their output would not be limited, we would find the only way of getting over the difficulty. I shall have much pleasure in supporting this Bill, provided that some limit is placed on the words, "and other industries." The Premier seemed to get rather vexed with the hon. member for Albert for wanting to know so much about these things, but we have had so many things acquired under other Bills, which we never dreamed of being taken, that we have become suspicious. Under

*Mr. Bebbington.]*

proper safeguards, there is no doubt that the Bill will be a great advantage to the State. (Hear, hear!)

Mr. FOLEY (*Mundingburra*): I am one of those who are interested in this Bill, because of the nearness to my district of large deposits of iron ore. I was rather surprised to see the way in which hon. members opposite received the second reading of the measure, particularly when one compares their speeches to-day with those they made on its introduction. They certainly gave me the impression then—and I think a good many other members—that this Bill was going to be received with open arms—that there would be no difficulty in passing it at all; in fact, the leader of the Opposition, and other members on his side, received it with a sort of blessing, and said that it would be a good thing if we could establish iron and steel works, because it would mean that, to a certain extent, this country would be self-supporting by being able to supply itself with iron and steel. The speeches to-day seem to have thrown a wet blanket over the speeches they made previously, and I am at a loss to understand the cause of the change of feeling which has come over hon. members since the Bill was introduced. The same conditions prevail to-day as when the Bill was first read, and the change in their opinions seems to indicate that something has happened in the meantime—that some of their friends, who are interested in the manufacture or importation of iron into this State, have asked them not to receive the Bill too readily, but to use what influence they possess against the measure passing.

I want to say that I come from a town in Wales which is known as one of the greatest smelting centres in the world, not only of iron ore, but also of silver, copper, and other ores—Swansea. There you will find smelting works for all the mineral ores you like to mention. If Queensland were anything like the town I belong to, instead of being practically in its primitive state—as it is at present—there would be smelting works here which would be the means of finding work for hundreds of men. If my native town had remained an agricultural district, instead of having a population of 150,000, it would have had a population of about 500. I cannot understand how there can be found men who will stand

[10 p.m.] up and oppose the establishment of an industry such as the iron industry, which will find work for so many people in Queensland. There is no doubt that if these works were established on a proper foundation they would be the means of bringing thousands and thousands of men to Queensland; that our population would be increased to such an extent that, instead of being sorry for what we have done, everyone would applaud the Government for having had the backbone to start such an industry. (Hear, hear!) When we recognise that Queensland has all the necessary minerals to make iron and to make steel in any quantity, I cannot understand how people can stand up and say we cannot manufacture these things at as cheap a rate as we can import them. The ore, I understand, is superior—or at least equal—to anything to be found in the world. We have the iron ore in immense quantities. We have the coal, the limestone, and all the other

[*Mr. Bebbington.*

minerals necessary, and yet hon. members say it would be cheaper to import these articles than to manufacture them ourselves. They do not take into consideration the amount of work that will be provided and will be the means of making Australia self-supporting as far as iron and steel are concerned. Judging from the speeches of hon. members opposite, it seems to me the great fear is that this Government—in starting an industry such as they propose to start—will interfere with private enterprise. When one listens to hon. members opposite, and their cries about private enterprise and the interference of the Government, it makes one feel very sick indeed, and very loth to see Queensland governed by such men. Instead of Queensland going ahead, it is going to be kept back by the utterances of hon. members opposite. I was looking at the report of the Royal Commission that was appointed by the Federal Government in January, 1903, to inquire into the possibility of the manufacture of iron and steel in the Commonwealth, and the commission stated that, from the evidence they had taken in different parts of the Commonwealth, they were satisfied that iron and steel could be manufactured in Australia with advantage. The report states—

“The evidence has satisfied us that all the materials necessary for the manufacture of iron and steel from its ores are to be found in various parts of Australia in large quantity and of good quality and under conditions suitable for the successful establishment of the industry under proper encouragement.”

Further on they show the amount of iron and steel imported into Australia during the year 1902, and the report says—

“The following are particulars of the iron and steel imported into the Commonwealth during the year 1902:—

Pig iron,	23,029 tons,	valued at	£98,373;
Bar and rod iron,	38,282 tons,	valued at	£334,636;
Plate and sheet iron,	22,627 tons,	valued at	£178,548;
Scrap iron,	10,408 tons,	valued at	£32,907;
Galvanised iron,	44,539 tons,	valued at	£739,596;
Rails	valued at	£391,822;	
Wire, plain,	valued at	£369,383;	
Wire netting	valued at	£135,169;	
Pipes	valued at	£298,183.	

In addition, iron and steel machinery to the value of £2,022,515 was also imported during the same period.”

That report is for the year 1902, and since that time the necessities of Australia have increased by leaps and bounds, so that now, instead of importing £3,000,000 worth, we should want to manufacture iron to the value of £6,000,000 or £7,000,000. Therefore the amount of money that would be distributed amongst the workers would be such as to induce thousands of men to come to Australia. To show that we have the necessary quantity of iron ore the commission took evidence in different parts of the Common-

wealth. Mr. Dunstan, in giving evidence as to the quantity of iron ore in Mount Leviathan, near Cloncurry, said—

“The quantity is stated by Mr. Jack, in Geological Survey Bulletin No. 10, page 10. He states, ‘Mount Leviathan is a hill 200 feet high and 400 yards in diameter.’ He estimates the quantity of ore—and I have been able to have that checked by an officer of the department, who also inspected that locality—at 10,500,000 tons of hematite without going below the base of the mountain.”

I would point out to hon. members that Mr. Jack was at one time the Queensland Government Geologist, and I have often sat here and listened to Sir Robert Philp—then member for Townsville—maintain that Mr. Jack was one of the best geologists Australia ever had, so I think we would be quite correct in taking his estimate of the amount of ore in Mount Leviathan. Mr. Dunstan further said—

“We have no analyses further than what Mr. Jack had made, and from which he states, ‘It is of the purest possible ironstone.’ A similar hill, Mount Pisa, has one-tenth the capacity of Mount Leviathan, and that would practically be 1,000,000 tons. They are separated 2 miles apart, and there is a possible connection of these two by other subsidiary deposits that outcrop between them. This has only been based on plans and surveys of the country.”

That 11,500,000 tons of iron ore would keep Queensland going in iron for some time. That is only one of the deposits mentioned by the commission. The report shows that these deposits are really of the best ore that can be procured, and that something should be done in Queensland to make use of them. Further on, the commission asked questions about the district in close proximity to Townsville. Referring to the iron mountain, which is known as Kangaroo Hill, the report says—

“This is an enormous lode of magnetic iron ore, and is situated 60 miles west of Townsville. It is distant from that port 80 miles by road over Thornton’s Gap, in the coast range (here about 2,000 feet above the sea, with a steep eastern slope).”

That is described as an iron mountain, and has an enormous quantity of ore, exceeding even Mount Leviathan. With these few remarks in connection with the report of that commission appointed by the Federal Government, I have much pleasure in supporting the second reading of this Bill.

Mr. SWAYNE (*Mirani*): We recognise the importance of the iron industry. It is, next to agriculture, the most important industry of all, and I would not have got up to speak at all were it not for the low-down electioneering tactics adopted by the other side. I notice that the Minister who introduced the Bill taunted the Opposition, and tried to put words into their mouths that they never uttered, and his example has been followed by nearly every speaker from that side. So far as the iron industry is concerned, there is no man on this side—and I suppose there is no man on that side—who does not realise its importance to Queensland—what it means to Queensland. The only difference is as to

whether the industry can be best worked out on the lines of State ownership or by private enterprise.

The PREMIER: What is the use of talking like that after the speeches that have been made on your side?

Mr. SWAYNE: At the present moment we have ample evidence before us that State control is not a success. State control means expensive work, and very often not good work. Members opposite have accused us of being in favour of importation, and so on.

The PREMIER: You know that is perfectly true.

Mr. SWAYNE: It is not true. Why, the Labour party was in existence for fifteen years before they were game to say what their tariff policy was. They hedged for years and years upon the tariff question. I think more than half of them were free-traders. It was only when they saw that the great body of the people of Australia were protectionist in their opinions that they came in “out of the wet” and adopted a protective policy. We know that our first protective policy in Australia, was begun by such men as Sir Alfred Deakin, Sir George Turner, and Sir Edmund Barton—Liberals, every one of them. They gave us protection in Australia, not the Labour side. We know that in the sugar industry we have depended upon protection; and, it goes without saying, that everyone in that industry is a protectionist, and watches the thing very closely in Federal politics. I have noticed time after time that the greatest enemies of protection—which is necessary for the life of this industry—are Labour men, like Mr. Mahon, of Western Australia. They were the men who used to get up and talk free trade. And now the Labour party have the effrontery to come into this Parliament and declare themselves the champions of protection! It beats the band! Another thing, which I think is rather low down on that side, is to try and attach some opprobrium to us in connection with a dredge which was bought in 1911 or 1912 from Germany—long before the war. I think it was in 1911 that that dredge was bought.

Hon. J. TOLMIE: It is a wonder they work it.

Mr. SWAYNE: Yes. As it has been brought up, it is just as well that I should mention the reason why that dredge was bought in the first instance. It was simply because a dredge was required for working the Brisbane River which could do her work without mooring; and it was found that the firm who built this dredge were the only ones in the world who possessed that patent; it was the only place where such a dredge could be got. I was here in this House at the time, and I remember hon. gentlemen now sitting on that side of the House were on this side of the House; and they quite agreed in the transaction.

Mr. WINSTANLEY: That is not correct.

The PREMIER: That is more misrepresentation.

Mr. SWAYNE: There was no division on it. I would like to ask, when it comes to purchasing from Germany in pre-war days—

The SPEAKER: Order! I suggest that the hon. member should deal with the subject-matter before the House—the second reading of the Bill.

*Mr. Swayne.]*

Mr. SWAYNE: I am referring to a matter that was referred to during this debate. This matter has been very freely discussed.

The SPEAKER: Order! The question of that purchase was not discussed. The purchase in question may have been mentioned incidentally in the debate; but the hon. member is making a speech based on it.

Mr. SWAYNE: I would like to point out that, unless we are assured of protection, this Bill—or any enterprise connected with the manufacture of iron in Queensland—would be utter foolishness.

Mr. GLEDSON: You know we have nothing to do with the tariff.

Mr. SWAYNE: Then is it not more fitting that those who control the tariff should deal with this, if it is to be a Government undertaking? The whole thing hangs upon protection. Minister themselves have admitted time after time, by their deferences to it in the debate, that it depends upon protection. At the same time, what I am objecting to are the charges made from the other side of the House against this side of our being lukewarm in regard to protection. I was just going to point out that the Labour party themselves bought their telegraph poles from the German firm of Krupp—the Labour party in the Federal Parliament—and they have the effrontery to come here and talk about a transaction that took place some five years ago! I just instanced that to uphold my contention that there has been no particular desire hitherto to establish the iron or any other industry; that this measure is introduced simply as a measure of getting at the Opposition. For one word said in support of the Bill from this side there has been two words in charges against this side of the House—charges more or less baseless. However, when I got up to speak I did so to point out that it is a very open question as to which would be the best way to develop our iron industries. We are all in agreement upon the point that Australia wants an iron industry—that we should not be dependent upon outside sources. Now, we have strong evidence pointing to the fact that State control is expensive and, sometimes, not of the best. It has been already instanced in the high cost of the warships built in Australia—the “Brisbane” Rifles, made in Government workshops, have cost twice as much as they could have been bought for. We have not to go further back than the fiasco in the attempted manufacture of high explosives in Queensland. If these ironworks are not going to be any better success than that which has accompanied previous efforts of this Government in the way of State workmanship, I am afraid the outlook is very poor indeed. Now, just within the last day or so we have had an example bearing out what I say. I notice that hon. members opposite have referred very often to the sugar industry. In that connection, we have here the Auditor-General’s report on the Central mills, some of which are under Government control and some of which are under private or co-operative control. As I have often pointed out before, when I have been speaking on this subject—State versus private control—the cost of working Government-controlled mills is out of all proportion to the cost of working mills con-

[*Mr. Swayne.*

trolled, more or less, by private individuals. I have three mills working much in the same climate and handling much the same tonnage of cane—Plane Creek, Proserpine, and South Johnstone.

The SPEAKER: Order! The hon. member is going quite outside the motion before the House.

Mr. SWAYNE: I want to bear out my statement.

The SPEAKER: Order! Surely the hon. member does not think he is entitled to discuss every undertaking that the Ironworks Bill proposes to establish; or that, because the ironworks will be under Government control, he can criticise every Government undertaking?

Mr. SWAYNE: I was dealing with this very question of Government control, and endeavouring to give reasons for my opinion that we are more likely to get good iron commodities at a reasonable price under privately-owned factories than we are under those which are State-controlled.

The SPEAKER: Order! The hon. gentleman is in order in referring to it in passing, but he must not go into the details.

Mr. SWAYNE: Without going into the figures, I might say that there are two sets of mills in similar localities—some under Government control and some under private or co-operative control. I am not allowed to quote the figures, so I cannot be precise, but I think I am not far out in saying that the cost of the work in the Government-controlled factories is something like from 20 per cent. to 30 per cent. more than in those which are privately or co-operatively controlled. Well, if that is to be the position in regard to the ironworks; if, for instance, that very much-needed commodity at the present moment—galvanised iron—when the war is over and things get back to normal, instead of being able to get it at £18 we have to pay £25 because it is made in the Government factory, I take it these works will not be the benefit to the public of Queensland which they otherwise would be. I take leave to say that State control is costly; and what has hitherto been a strong argument used in favour of it—that it conduces to industrial peace—has been disproved. It has been shown that there is a greater tendency to strike in Government workshops than there is in private workshops. I think, on the whole, that the general public, throughout not only Queensland, but of Australia, are getting rather tired of State enterprises in consequence. We know that, for instance, politics come into their management. I must refer to the sugar-mills again; they afford such a splendid example. For instance, one of its mills, I notice, worked at a loss of £2,000; and £1,500 of this £2,000 was money simply paid for political purpose—back money under the Dickson award, which none of the privately-owned mills paid.

The SPEAKER: Order! The hon. member is endeavouring to deliver a speech on a matter altogether outside the question before the House.

Mr. SWAYNE: I am trying, as far as I can, to uphold my contention that there are very strong reasons for thinking that this big industry that we hope to see established in Queensland and that we hope to see as a factor in our prosperity for many years to come, by proofs that we have in our hands

at the present moment, could be carried out in another way than is proposed by the Government. That is all I was doing; and I think I was confining myself to that aspect.

The SPEAKER: Order! The hon. gentleman was attempting to show the difference between the Government-owned sugar-mill and a privately-owned sugar-mill.

Mr. SWAYNE: I also referred to other matters; I referred to these high explosive shells, which cost about 21s. in Ipswich, and which could be done in a private works for about 11s. I notice that there was a spar—if I might use the word—between the Chief Secretary and the hon. member for Albert; and I was surprised to hear the Chief Secretary say he hoped that private enterprise would come in under this Bill. Like nearly every other Bill of which the hon. gentleman has been the author, it is more calculated to scare, to frighten, private enterprise out of the State than any legislation ever we had before. The whole trend of their legislation is that way. I know I should be out of order in quoting the Bill; but I would like to point out that there is subclause (3), which has been quoted very fully already, and I will not read it through again; but it states that the Minister may "Take, purchase, contract" and so on, "foundries, wharves, ships" and that sort of thing; and when you read that with clause 8—which states that—

"The Governor in Council may from time to time, by proclamation published in the "Gazette," authorise and empower the Minister therein named to undertake, establish, or continue, and to maintain and carry on any business therein designated or described,"

—designated by the Governor in Council—you can say that everything that the hon. member for Albert alleged in connection with the Bill was quite justified. Under the circumstances, it is no use talking about private enterprise coming in and developing the industry. It is warned off. I hope and desire to see the iron and steel industry established in Queensland, as I can recognise what a boon it would be to us at the present time if we were able to get galvanised iron at a reasonable price. We might have had a lot of these industries started by this time but for the lukewarm attitude of the party opposite on the question of protection years ago. We would have had all these industries started to-day but for the attitude of the Labour party years ago. I quite recognise that the establishment of iron and steel works is a very important matter, and I hope to see them established in the future. But I do not think they are likely to be successful if established on the lines laid down in this Bill. I am certain that they will not make the progress that has been made by the iron industry in other parts of the world by private enterprise. We know that private enterprise has established the ironworks in Newcastle at the present time. That shows that, if given fair play, private enterprise is prepared to step in and carry on these industries.

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.

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