

Queensland



Parliamentary Debates  
[Hansard]

**Legislative Council**

**TUESDAY, 13 NOVEMBER 1917**

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**LEGISLATIVE COUNCIL.**

TUESDAY, 13 NOVEMBER, 1917.

The PRESIDENT (Hon. W. Hamilton) took the chair at half-past 3 o'clock.

**GOVERNMENT EXPENDITURE ON INDUSTRIAL ENTERPRISES.**

FIFTH PROGRESS REPORT OF EVIDENCE TAKEN BY SELECT COMMITTEE.

HON. P. J. LEAHY laid on the table minutes of evidence taken by the Select Committee on 7th November, and moved that the paper be printed.

Question put and passed.

**PAPER.**

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

Regulations under the Sugar Cane Prices Act of 1915.

**PERSONAL EXPLANATION.**

HON. B. FAHEY: I desire to make a personal explanation. The few remarks that I made on the Hon. Mr. Bedford's motion on Wednesday last were not correctly reported. I desire to have them corrected for the book "Hansard."

HON. P. J. LEAHY: What was wrong?

HON. B. FAHEY: More than one item was wrong. This is the first time in my experience in this House that I have had to call attention to it.

HON. T. M. HALL: Perhaps you did not speak up.

HON. B. FAHEY: Well, I thought I did. However, the matter will be corrected in the book "Hansard." I was made to say things that I did not say, and my language was altogether altered.

HON. T. M. HALL: Perhaps you were too excited.

**AGRICULTURAL SETTLERS' RELIEF ACT AMENDMENT BILL—ROCK-HAMPTON HARBOUR BOARD ACTS AMENDMENT BILL.**

**ASSENT.**

The PRESIDENT announced the receipt of messages from the Deputy Governor, conveying His Excellency's assent to these Bills.

**SUSPENSION OF STANDING RULES AND ORDERS.**

**APPROPRIATION BILL, No. 3.**

The SECRETARY FOR MINES (Hon. A. J. Jones) moved—

"That so much of the Standing Rules and Orders be suspended as would otherwise preclude the passing of Appropriation Bill, No. 3, through all its stages in one day."

HON. A. G. C. HAWTHORN: Before the motion is passed I would like to know from

the Minister what will be roughly the amount and the period over which the appropriation will extend. We have already passed Supply for four months, and from what the Minister has said Parliament will be rising about the end of this month, and before then we shall have to pass the whole of the appropriation for the present year, so that I would like to ask what necessity there is for an Appropriation Bill now?

The SECRETARY FOR MINES: The amount is £900,000, to cover a period of five weeks.

HON. P. J. LEAHY: What I cannot understand is why we are always asked to suspend the Standing Orders to pass temporary Appropriation Bills. (Hear, hear!) Could not the Government look a little bit ahead? The Bill might have been brought before us on Tuesday last. We are always told at the last moment that if we do not suspend the Standing Orders the public servants cannot get their pay. Are the Government and their officials so rushed that they cannot prepare these documents until the very last moment? It should only be on special occasions, and when there is some real urgency, that we should be asked to suspend the Standing Orders.

The SECRETARY FOR MINES: Why didn't you object to the practice years ago?

HON. P. J. LEAHY: I am not going to take the responsibility of all that was done years ago by previous Governments. I have responsibility enough for my own actions. (Laughter.)

HON. A. G. C. HAWTHORN: The new Government will probably do the same next year.

HON. P. J. LEAHY: I do not care what Government does it. I do not see why the business should not be put through in the ordinary way without suspending the Standing Orders. If it were a case of great urgency, as was the case with some of the war measures that were put through two or three years ago, no one would object to the suspension of Standing Orders; but why should we be called upon time after time to suspend the Standing Orders, in order that public servants may be paid? Suppose we do not suspend the Standing Orders, will the public servants be any worse off if the Bill is passed in the ordinary way?

The SECRETARY FOR MINES: We want to pay them to-morrow.

HON. P. J. LEAHY: Then, the Minister should have brought the Bill before us last Thursday. I suppose we will let the motion go, but the practice is objectionable, and I for one raise my voice in protest against it.

HON. A. A. DAVEY: I think the Hon. Mr. Leahy is perfectly right. It is absurd that the Government, who should know their liabilities in advance as well as any business man, should come along with a proposition that we should suspend the Standing Orders so that an Appropriation Bill may be passed through all its stages in one day. There is a suspicion about such a practice that the appropriation that is being asked for will not bear investigation. That is the way it would appear to the man in the street. I do not see why the Government cannot arrange their financial business ahead. They know when pay-day is coming round, and they should arrange to bring their Appropriation

Bills before us in time. The very fact of having to ask this Chamber to suspend the Standing Orders suggests, on the face of it, to the outside public that the Government do not want the matter discussed at all, but want to get the Bill through as quickly as possible.

Hon. R. SUMNER: It has always been done.

HON. A. A. DAVEY: It does not matter whether it has always been done. Murder has been committed from time immemorial, but that does not justify murder. Robbery has been committed from time immemorial, but that does not justify robbery. I do not care what Government does it, the idea of bringing in Appropriation Bills time after time, and passing them under suspension of Standing Orders, is, commercially, an immoral proposition, as full time is not allowed for consideration. I am very glad the Hon. Mr. Leahy has directed attention to the practice, and I think the Council would be wise in intimating to the Government that in future they will require some time to consider their financial proposals, and that they will not submit to the suspension of Standing Orders to enable those proposals to be passed without full discussion. There is no reason why we should not have had the Appropriation Bill before us last week. Any business firm knows its liabilities from week to week and month to month, and makes its arrangements accordingly, and the Government should do the same. I am glad that attention has been called to this practice, as I think it is a practice that should cease.

The SECRETARY FOR MINES: There is no necessity to delay the motion at this stage. We are only following the practice of our predecessors in office. Hon. members have somewhat censured their colleague, the ex-Treasurer, who occupies a seat in this Chamber.

HON. A. G. C. HAWTHORN: You were going to be such a progressive Government. You were going to upset all our precedents.

The SECRETARY FOR MINES: If hon. gentlemen wish to wring a promise from me, I will give them this promise—that we will give consideration to their request after the next general election. (Laughter.)

HON. P. J. LEAHY: We won't want your promise then.

The SECRETARY FOR MINES: We have the Estimates and all the financial and departmental reports before us now, so there is no necessity to prolong this debate.

HON. A. G. C. HAWTHORN: But the Appropriation Bill is not based on the present year's Estimates; it is based on last year's Estimates.

The SECRETARY FOR MINES: We have a very large business-sheet, and we will have to sit later to get through some of the business. The Appropriation Bill passed through the Assembly last week without any discussion at all.

HON. P. J. LEAHY: That has nothing to do with us.

The SECRETARY FOR MINES: It shows that the Opposition in the Assembly were thoroughly satisfied.

HON. P. J. LEAHY: What do we care about the Opposition in the Assembly? Nothing at all!

*Hon. A. J. Jones.]*

The SECRETARY FOR MINES: I am rather surprised at that remark. However, I know that hon. members have rights in this Chamber, and this Chamber, probably, has rights as a branch of the Legislature.

Hon. A. G. C. HAWTHORN: Not probably—certainly.

The SECRETARY FOR MINES: I can give hon. members all the information they seek. As a matter of fact, no information is required, because we have the Estimates, and all the reports from the various departments, financial and otherwise.

Hon. P. J. LEAHY: But they do not tell how much you intend to ask us for.

Question put and passed.

### MANY PEAKS TO NEW CANNINDAH RAILWAY EXTENSION.

LEAVE TO MEMBER OF ASSEMBLY TO GIVE EVIDENCE BEFORE SELECT COMMITTEE.

The PRESIDENT announced the receipt of a message from the Assembly intimating that leave had been given to Bernard Henry Corser, Esq., a member of the Assembly, to attend and be examined by the Select Committee on this railway, if he thought fit.

### APPROPRIATION BILL, No. 3

#### FIRST READING.

On the motion of the SECRETARY FOR MINES, this Bill, received by message from the Assembly, was read a first time.

#### SECOND READING.

The SECRETARY FOR MINES: I move—That the Bill be now read a second time. This is the third Appropriation Bill of the present session, and it covers a period of approximately five weeks, when it is hoped that the Estimates and the final Appropriation Bill will be passed. The amounts asked for in this measure are fixed on the basis of the Estimates for the last financial year. The appropriation from trust and special funds may seem high, but the large amount required is mainly owing to the exceptionally heavy crops of sugar that are being handled at the Government central mills. The central mills trust fund will be reimbursed when we receive payment from the sugar manufactured. The amounts required from the loan fund are on a reduced scale as compared with the Estimates for last year. I do not think hon. members will require any further information on the subject.

Hon. P. J. LEAHY: I do not intend to speak at any length on this question, though, as we all know, it is a subject which affords a good deal of room for discussion. We might naturally ask the Minister whether the Government had any intention of doing anything in the direction of economy.

The SECRETARY FOR MINES: Economy?

Hon. P. J. LEAHY: Yes, economy. The Minister is rather surprised, as if he had not heard the word before. I think we might ask the hon. gentleman whether the Government intend to do anything in the direction of economy, or whether they intend to pursue the headlong career of financial extravagance they have indulged in up to the present time. As a spending Government, it would be very difficult to beat the present Government. They got nearly £1,000,000

[*Hon. A. J. Jones.*

more in revenue last year than the previous Government received in any one year.

Hon. R. SUMNER: Are they spending it well?

Hon. P. J. LEAHY: I am coming to that presently. I say they are pastmasters in the art of spending. The Hon. Mr. Sumner has interjected "Are they spending it well"?

Hon. R. SUMNER: They are.

Hon. P. J. LEAHY: I am here to state that in my opinion they are spending it very badly. The Government so far has pursued a reckless policy of expenditure: there has been no indication whatever of economy. We all know that the Federal Government are spending a large amount of money for war purposes. They have already borrowed £100,000,000 for war purposes, on which the rate of interest is 4½ per cent., and probably before the war is over they will borrow another £50,000,000 or £100,000,000, and our interest bill will then be £9,000,000 or £10,000,000 per annum. All this money has to come out of the pockets of the taxpayers of the different States. Yet the Government of Queensland have gone on in their wild career of extravagance just as if the Federal Government did not want money for war purposes. Their railway proposals, their State Iron and Steel Works Bill, and their proposal to purchase the Chillagoe railway will require considerable sums of money to carry out, and that will mean further burdens on the taxpayer. If this kind of thing goes on, something must happen. There is a limit to the amount of taxation that any country can pay. Generally speaking, I think it can be said that the people of Queensland are the most heavily taxed people of any State in Australia at the present time.

The SECRETARY FOR MINES: Does that include Federal taxation?

Hon. P. J. LEAHY: I am talking of State taxation, and I say it is higher per head than the taxation in any other State of Australia, and there is no indication on the part of this Government that they are going to adopt the common-sense business method on which a State ought to be governed. I thought the Minister would have done something more than merely move the second reading of the Bill in a formal manner.

Hon. R. SUMNER: What do you suggest doing—reducing the public servants?

Hon. P. J. LEAHY: If I were to mention all the things I could suggest, I would not finish by tea-hour, but I do not intend to do that. It is not my business to make suggestions to the Government. If members on this side of the House were called upon to undertake the responsibilities of government, I do not think they would ask any members on the other side for suggestions as to how the country should be governed. However, I am pleased that the hon. member asked me what I would suggest, because from that it is evident that the Government and their friends do not know what to suggest. The Government are spending the revenue they receive without any regard as to whether the expenditure is going to benefit the whole of Queensland or not.

Hon. W. J. RIORDAN: What do you suggest?

HON. P. J. LEAHY: It is a truism to say that most of the wealth of any country comes from the producing industries. What are the wealth-producing industries in this country?

HON. R. SUMNER: War is becoming an industry now.

HON. P. J. LEAHY: I am speaking of the producing industries. We are all living on what is produced from the soil, whether it is wool, beef, mutton, pineapples, or bananas. The whole of our wealth comes from the land. But, apparently, the present Government are not able to look beyond the population of the cities. We have in Brisbane and the large cities of the State something like two-thirds of the people living upon one-third of the population who are on the land, and the Government are doing nothing to build up the people on the land. We know that there has been a material falling-off in land selection from recent figures issued by the Lands Department during the last few months. We also know that increased fares and freights were imposed last year on residents in country districts, and that there were no increases on those who live in the cities and are the supporters of the present Government.

THE SECRETARY FOR MINES: That is not right.

HON. P. J. LEAHY: We also know that the Government seized the dairymen's butter at less than its market value, and that they prevented stockowners taking their stock across the borders into the other States—a most unfederal action.

HON. R. SUMNER: What is the point in that?

HON. P. J. LEAHY: The point is that if these industries had received proper and sympathetic consideration they would have produced a great deal more than they are producing, and would be better able to pay taxation than they are at the present time.

THE SECRETARY FOR MINES: You voted against the mining industry.

HON. P. J. LEAHY: In what way did I vote against the mining industry?

THE SECRETARY FOR MINES: You voted against the motion to give the producers a better price for their metals.

HON. P. J. LEAHY: What nonsense! I voted for an amendment which declared that it was unfair to come to a decision condemning the Federal Government without full information. I have been listening to the other side ever since the Ministry have appointed new members to this Chamber. Since then, members opposite have done most of the talking, and we have been doing the listening. However, I shall not pursue the subject any further, except to suggest to the Minister and the Government that they might take seriously into consideration the welfare of the producer, the practising of economy, and the question of not laying further burdens on the wealth-producers of the country.

HON. A. G. C. HAWTHORN: I am afraid that it is waste of time for the Hon. Mr. Leahy or anybody else to attempt to preach economy to the present Government. They have shown themselves absolutely unable to appreciate the value of money, and have gone on in a spendthrift manner such as we have never seen in this State previously.

HON. W. J. RIORDAN: Did they waste any of the money?

HON. A. G. C. HAWTHORN: Yes, plenty of it.

HON. W. J. RIORDAN: Where did they waste it?

HON. A. G. C. HAWTHORN: They say that their increased expenditure is owing to the war. As a matter of fact, the war is no trouble to them; the war has been financed right through by the Federal Government; and yet this Government are doing their best to undermine the possibilities of the Federal Government getting money to prosecute the war. They now propose to impose extra taxation, which will take away from the Federal Government one of their sources of income at a most critical period.

HON. W. J. RIORDAN: They will conscript wealth.

HON. A. G. C. HAWTHORN: There has been a good deal of conscription of wealth going on.

HON. W. J. RIORDAN: At 4½ per cent.

HON. A. G. C. HAWTHORN: We find that during the last three years taxation has risen from £954,000 to about £2,000,000 per annum. This year the Government's estimated expenditure will exceed last year's actual expenditure by £614,000, and last year's expenditure exceeded the actual revenue by £253,000. We are to have brought before us presently a Treasury Bills Bill, which asks us to wipe out that £253,000 deficit by carrying it on to posterity on ten years' promissory notes. For twelve or thirteen years Queensland had considerable surpluses. Some years ago, when the late Government were in office, they had a revenue of £4,700,000, and yet at the end of the year they had a surplus. Last year the present Government had an income of £8,000,000, and they closed the year with a deficit of £253,000.

HON. W. J. RIORDAN: You know that is the effect of the war.

HON. A. G. C. HAWTHORN: The war has not affected Queensland prejudicially one iota. In many ways money has been spent by the Government which should not have been spent under present circumstances.

SEVERAL HONOURABLE MEMBERS interjecting,

THE PRESIDENT: Order! I must ask hon. members to curb their impatience. The Hon. Mr. Hawthorn is in possession of the floor, and is entitled to be heard.

HON. A. G. C. HAWTHORN: The revenue per head of the population in 1907-08 was £9 18s. 4d., and that rose in 1916-17 to £10 10s. 11d. The expenditure in 1907-08 was £9 14s. per head of population, and in 1916-17 it was £12 3s. per head. In ten years see how the expenditure has jumped up with absolutely no justification. If there ever was a time when economy should have been practised it was last year and the year before; but, instead of that, the Government not only did not live within their income, but last year had a deficit of £253,000, and the year before the Auditor-General says they had a deficit of about £100,000.

[4 p.m.] although they showed a surplus of £34,000, and this year they estimate a probable deficit of £496,000. The position is unpardonable, and it is a question whether it will be allowed to go on in that way—whether this House will prevent the Government as far as they are concerned from doing so.

THE SECRETARY FOR MINES: We can meet it.

Hon. A. G. C. Hawthorn.]

HON. A. G. C. HAWTHORN: How? By extra taxation imposed on the State of so much a head.

Hon. W. J. RIORDAN: You must expect it in a time of war.

HON. A. G. C. HAWTHORN: As I said before, the war has not made Queensland incur one penny more expense than it had before. The expense of the war is being carried on by the Federal Government, and they should have the right to deal with the sources of taxation to raise money.

Hon. G. PAGE-HANIFY: The war has caused increased expenditure to everyone in connection with the increased cost of living.

HON. A. G. C. HAWTHORN: In 1914-15 the railways were paying assets, but to-day there is a deficit of £750,000 on last year's working. We find that, although the Government are borrowing money at 4½ per cent. and 5 per cent., the railways are only realising £2 ls. per cent. on the money that is borrowed. The position is preposterous. This Government came in as a progressive and economical Government, but they have shown themselves absolutely unable to grasp the situation. As far as finances are concerned, they are not able to run a costermonger's barrow. But it is not for us really to say; the people of Queensland are the ones who have to say.

Hon. P. J. LEAHY: We are their representatives.

HON. A. G. C. HAWTHORN: We will probably do what little we can here. If at the next election the people of Queensland return a body of men with a record like this as far as finance is concerned—

Hon. W. J. RIORDAN: They would show their good sense.

HON. A. G. C. HAWTHORN: They will deserve all they get, and they will get it very hot, because if the people return this Government again with their present record they will consider it an intimation that they can go on the same lines, and exceed what they have done in the past.

HON. A. A. DAVEY: The present Government is supposed to represent a party which is against borrowing, and boasted of economy and as to how they were going to pay their way and do everything fair and square, and not follow in the footsteps of the bad old party of "boom, borrow, and burst." The result has been that not only in this State, but in other States, the party which talks about economy and not borrowing are the greatest sinners in the matter of borrowing, and go even so far as to propose that we shall not pay the interest and redemption on the money that has already been borrowed. What has become of the Labour party from a financial point of view? Had it in the first place ever any financial ability at all? Personally, I think not. If some kindly-disposed person was disposed to think that it had any, the experience, not only in this State but in other States, has shown us that they are utterly incapable of dealing with any financial questions. From the manner in which business is being carried on in this State, one would think that there was no war on, that the condition of things was normal; in fact, they would be justified in believing from the actions of the Government that they were abnormal, that there were wonderful seasons without any disturbing influences, and that everything was going on lovely in the garden. Every man in the

[*Hon. A. G. C. Hawthorn.*

street would be justified in believing that, if they looked at the Government's proposals and their actual doings, their unwarranted and illegal expenditure of vast sums of money, when the country is at war and the existence not only of Australia but the Empire is at stake; but the Government go on doling out millions as if there was no end to it. A cool and calm reflection upon the financial actions of the Government during their term of office, and considering the advantages under which we live, will show that their actions have been positively unjustifiable and disgraceful. No sane business concern in time of crisis to their particular business would venture on speculative affairs the same as this Government have done. No firm would do that unless they were a firm of gamblers. If they were a legitimate class of firm they would not do it. They might do it if they were placed in the position that a big gamble would save their financial position; but no decent business concern would go in for big gambles at a time when the firm was passing through a financial crisis. I have no hesitation in saying that I believe that 99 per cent. of the electors of this State are aware that this Government has shown itself from a financial point of view to be absolutely incapable.

Hon. R. BEDFORD: That is why 75 per cent. of the electors will vote for them.

HON. A. A. DAVEY: I do not think 75 per cent. will vote for them. I do not think any more than 25 per cent. will vote for them.

Hon. W. J. RIORDAN: Did you work it out at your caucus meeting?

HON. A. A. DAVEY: The hon. member knows all about caucus meetings, but I know nothing about them. I know that any man with the ordinary instincts of a business man, looking at the transactions of this Government while they have been in office, can do no other than condemn them as incompetent from a business standpoint, and not only incompetent, but absolute gamblers.

Hon. R. SUMNER: What are they—just tell us?

HON. A. A. DAVEY: The hon. gentleman is always asking what are they? They do not know themselves. I could give you plenty of instances of what I mean. I say that to go in for the purchase of stations—

Hon. W. R. CRAMPTON: And make money on them.

HON. A. A. DAVEY: Never mind about making money on them. (Laughter.) To go in for the erection of "pubs"—

Hon. W. R. CRAMPTON: Making more money.

HON. A. A. DAVEY: The Auditor-General's report will tell you all about the money they are making.

The SECRETARY FOR MINES: You blame us if we make money and you blame us if we lose money.

HON. A. A. DAVEY: Then the proposal to buy railways which are extinct. I am perfectly willing to leave the matter to the judgment and common sense of the people, and, in my opinion, a very large proportion of the people believe that the Government are financially unfit and incapable.

Hon. W. J. RIORDAN: They are a success.

HON. A. A. DAVEY: I would like to see some slight gleam or indication of success.

Hon. W. J. RIORDAN: That is what is hurting you.

HON. A. A. DAVEY: It is not hurting me at all. The Government talk about the war. Hon. members opposite are not so keen about the war in some respects. When a question is raised they say—what about the war? The war has not cost Queensland anything, and it is not likely to cost Queensland anything, except that it may be a great benefit by bringing a good many more settlers on the land, which I hope will be the case. We are not financing the war in this State at all.

Hon. W. J. RIORDAN: We are footing the bill, though.

HON. A. A. DAVEY: The Commonwealth is financing the war, and they will require money to do that. If this Government by its gambling extravagance and all its business speculation lays upon the people of this State such an enormous burden of taxation that there will not be a shilling left, where is the Commonwealth Government to get the money to carry on the war?

Hon. W. J. RIORDAN: Where are they getting the money at the present time?

HON. A. A. DAVEY: They are not getting it from you.

Hon. W. J. RIORDAN: They are getting some of it from me; I am paying my quota.

HON. A. A. DAVEY: This State has nothing to do with paying expenses in connection with the war.

Hon. R. SUMNER: Indirectly.

HON. A. A. DAVEY: We are not charged with the burden, and nothing in an Appropriation Bill can be justified on account of the increased expenditure in connection with the war. The exchequer is going up, and the Commonwealth have to find money for the war, and where is it going to find money if a gambling, speculative Government is allowed—

Hon. R. BEDFORD: What about the profits they have made?

HON. A. A. DAVEY: There will be time enough to show that they have not made profits. When you charge in the books a lease as of a value of £14,000 which was formerly estimated at £1,100, whatever the sum is, there is not a large profit on that, except it is on paper. When the profit is ultimately shown it will be a profit on paper.

The SECRETARY FOR MINES: That is an unfair statement which is unworthy of you.

HON. A. A. DAVEY: It is not unfair at all. It is in the Auditor-General's statement. This is the surprise now, that a party who have been reared from their infancy on the bottle which contains the milk of no borrowing, pay your way, and all that kind of thing, should have run so far amuck that they have become, not only in this State but in other States, the greatest offenders in the matter of extravagant borrowing, and should even go to the extent of saying, "We will borrow as much and spend as much as we can get, but we will suspend the operation of the sinking fund." I think that the time has come when this

Chamber should seriously consider the financial proposals of the Government, because, as far as I am able to judge—and I do not profess to be anything in particular, but I have an idea that I know as much about business as most people—the road on which the Government is travelling is the road to financial ruin, and unless they are pulled up I do not know what is going to happen.

HON. G. S. CURTIS: I want to draw attention to a feature of increased taxation. It seems to me from comments made from time to time in the Press, and on the public platform; and in Parliament, that the fact is lost sight of that this increased burden of taxation which has been said to be placed upon the people of Queensland through the reckless extravagance of the present Government is only imposed upon a small minority, and not upon the whole of the people. When I see comments to the effect that the proposals of the Government are exceedingly drastic, one would suppose that the burden would be equally distributed over the whole body of the people, but, unfortunately, such is not the case. It is imposed as direct taxation by the Government for the purpose of making good the deficiency in the public accounts, and is only imposed upon about 3 per cent. of the people of the State. I am going to support my contention by a reference to John Stuart Mill, a distinguished political economist, who, in his work on the subject of representative government, laid it down as a fundamental principle that the only persons who can properly and fairly vote for increased taxation of any kind are those who contribute towards the taxation themselves in some tangible form, and not an indirect and intangible contribution.

Hon. R. BEDFORD: Would you apply that principle to conscription?

HON. G. S. CURTIS: I am not talking about conscription now. What has been done by this Government is a violation of a fundamental principle of free government. This Government are placing taxation upon a section of the people, although the great majority of those who support the Government contribute nothing towards that taxation, either directly or indirectly. Only some 24,000 persons are being called upon to bear the whole burden of taxation that is caused by the ruinous and extravagant expenditure of this Government. It is a highly unjust thing that the burden should be imposed upon a small handful of people so that the supporters of the Government may go scot free. It is not only unfair and unjust, but it is immoral and it is highly prejudicial to the best interests of the State. Who is likely to be induced to come here and invest money in a State where such a condition of things prevails, and where everything in the shape of fixed property is made a target for taxation to make good the reckless expenditure of public money by the representatives of the great majority of the people, who contribute nothing? I am supported in my view by the greatest authority who can be quoted, John Stuart Mill.

Hon. R. BEDFORD: He was a great authority about 100 years ago, but things have changed since then.

HON. G. S. CURTIS: The financial policy of the present Government may be designated as profligate. In the course of a few

*Hon. G. S. Curtis.]*

months the people of Queensland will show what they think of the financial extravagance and financial profligacy of the Government. I rose particularly to draw attention to the fact that barely 24,000 persons are being called upon by this Government to bear the whole burden of the taxation which is the result of the reckless expenditure of public money by the Government. (Hear, hear!)

HON. R. SUMNER: I do not think this is the time to discuss the various taxation measures which the Government propose to submit to enable them to pay their way; but it seems to me that on an Appropriation Bill we can discuss almost anything. The Hon. Mr. Hawthorn said that it was time we went back to the old days of economy. (Hear, hear!)

HON. R. BEDFORD: When were they?

HON. R. SUMNER: I think there was a time in days gone by when an attempt was made in that direction. I have read the debates in the other Chamber in "Hansard," and I have never yet read where any member of the Opposition has suggested one single item that could be left out of the Estimates. Where can the Government economise? The Hon. Mr. Leahy says we ought to economise, but it can only be done by refusing to vote the wages and salaries of the public servants. I have never heard one member of the Opposition in the other Chamber, or one hon. member here, point out how economy can be effected. We have been told that the war has not affected our finances; but we all know how the cost of living has gone up because of the war, and how the Government have had to increase wages because of the increased cost of living, and rightly so. Then the cost of material has gone up on the railways.

HON. R. BEDFORD: Coal has gone up 3s. per ton.

HON. R. SUMNER: The price of coal and everything else has gone up because of the war, and yet hon. members tell us that the war has not affected conditions here. It has materially affected the State Government. If hon. members want to criticise anyone, in my opinion, they should criticise the Federal Government, because they are wasting more money than any of the State Governments. (Hear, hear!) Taxation is going to be greater in the future than it is to-day. No matter what Government may be in power, taxation is bound to increase. When you come to consider that a loan of practically £100,000,000 has been raised in Australia by the Federal Government for war purposes, and that that money has been withdrawn from the ordinary channels of industry, it is palpable that conditions throughout Australia must have been very much affected by the war. Probably another £100,000,000, or more, will be required before the war is brought to a successful conclusion; and 4½ per cent. interest has to be provided on all that money, which has got to come out on the workers and producers of Australia. If I could see anything that we could do to reduce taxation, I would be prepared to do it, and if the members of the Opposition—

HON. P. J. LEAHY: What Opposition?

HON. R. SUMNER: The representative Opposition in the other House. If they, or  
[*Hon. G. S. Curtis.*]

any hon. member here, can show me in what way Government expenditure can be reduced, they ought to do so.

HON. A. G. C. HAWTHORN: We are not called upon to do that. It is your duty to do that. You should be able to make ends meet.

HON. R. SUMNER: The Government have introduced Bills with the object of making ends meet. One method is by imposing an additional land tax.

The PRESIDENT: Order!

HON. R. SUMNER: They have also Bills to impose additional stamp duties, additional income tax, and increased pastoral rents. In this way they are going to make ends meet. It is for the Opposition in the other Chamber, and I suppose here too, to show us how, without this increased taxation, the Government can make ends meet.

HON. G. S. CURTIS: They succeeded in doing it when they were in office. They squared accounts and had a surplus.

HON. R. SUMNER: Yes, they had a surplus. The Hon. Mr. Hawthorn spoke about a false balance-sheet. In Sir Hugh Nelson's time a Bill was passed providing that, whenever there was a surplus, it should be credited to the public debt reduction fund. When Mr. Kidston was Treasurer that was faithfully carried out; but, as soon as he associated himself with the old Philp party, that was never carried out. The Hon. Mr. Hawthorn was a colleague of Mr. Kidston's at that time, and he now talks about presenting a false balance-sheet, although the very same thing was done when he was in office himself.

HON. A. G. C. HAWTHORN: You are absolutely wrong.

HON. R. SUMNER: When the various taxation Bills come before us, I shall have something more to say about them, but this is not the proper time to discuss them.

The SECRETARY FOR MINES, in reply: I am rather surprised that we have taken up so much time over this Bill. The Opposition in the Assembly allowed the Bill to go through without discussion. The opposition here have just made broad, vague statements which they cannot substantiate. One hon. member said that the Government went to the country on a "Borrow, boom, and burst" policy. That is not so. On the other hand, this Government did not go to the country on a non-borrowing policy. Speaking for myself, I said that it is sound in principle, if a Government can borrow for reproductive works and make money, that they should do so. If they can borrow at 3½ per cent. and make 5½ per cent., that is sound policy for any Government to adopt.

HON. P. J. LEAHY: Where have you done that?

The SECRETARY FOR MINES: The Government with which the Hon. Mr. Hawthorn was associated went to the country on a non-borrowing policy, but they found that they had to borrow, as previous Governments had done. But that is not the point. I would ask hon. members to point to one item that could be eliminated from the Bill.

HON. P. J. LEAHY: We have not got the details.

The SECRETARY FOR MINES: Do they want me, as Secretary for Mines, to bring



about a state of stagnation in the mining industry by refusing the miners and mine-owners of Charters Towers and Gympie their usual subsidy for drainage? Do they want me to starve the mining industry by refusing to expend money judiciously in the direction of assisting in the production of copper and metals necessary for munition purposes? Will they point to one item of expenditure in the Mines Department that could be eliminated to advantage? I would ask them to do the same with regard to any other department. Yet we have an hon. member getting up and making a vague statement that the Government are going in for speculative enterprises.

Hon. P. J. LEAHY: It is quite true.

The SECRETARY FOR MINES: Is it not good business in the interests of the people of Queensland to purchase cattle stations and provide the people with cheap meat?

Hon. P. J. LEAHY: The Government are gambling over the joinery works in South Brisbane, which cost £31,000, and are idle.

The SECRETARY FOR MINES: I do not think, in the interests of the people, we should endeavour to make large profits out of the cattle stations or any other State enterprise.

Hon. A. G. C. HAWTHORN: You are only making a profit out of the meat business by charging the Imperial Government 4½d. per lb., and getting your own supplies at 3½d. per lb.

The SECRETARY FOR MINES: The same hon. member argued that the war has not affected the finances of the State. Did you ever hear such an absurd argument? Does not the hon. member know that hundreds of thousands of our young producers who have gone to the front would be settled on the land and would be producing if it were not for the war?

Hon. P. J. LEAHY: I did not say that. You are misquoting me.

The SECRETARY FOR MINES: I did not say that the Hon. Mr. Leahy said that.

Hon. P. J. LEAHY: Well, you looked at me. (Laughter.)

The SECRETARY FOR MINES: "A cat may look at a king."

Hon. P. J. LEAHY: Yes, but you looked at me when you made the remark. (Laughter.)

The SECRETARY FOR MINES: The Hon. Mr. Davey said it, and the Hon. Mr. Hawthorn said it.

Hon. A. G. C. HAWTHORN: I say that in actual cash you are not affected by the war.

The SECRETARY FOR MINES: Why do not hon. gentlemen go outside Brisbane and see the farms that are grown over with grass because the sons of the farmers have gone to the front?

Hon. P. J. LEAHY: And partly because of your taxation.

The SECRETARY FOR MINES: Do not hon. gentlemen know that the State has lost hundreds and thousands of tons of produce because of the fact that the sons of farmers have gone away to fight for the Empire?

Hon. A. G. C. HAWTHORN: And you had a greater revenue last year than any other Government in Queensland has ever had.

The SECRETARY FOR MINES: That is not the point. Hon. gentlemen should show the Government where they could save one penny—where one item of [4.30 p.m.] expenditure could be eliminated or reduced. Do they want the Government to go in for a system of retrenchment as previous Governments did? Do they want them to cut down the railway employees, the school teachers, and other public servants? The Government are faced not only by bad seasons, but also with the effects of the war, and hon. gentlemen might well be generous and recognise that the Government have to face the problems which come before them, and to assist the Commonwealth Government and the Empire in this great war.

Hon. A. G. C. HAWTHORN: This is not a proper time to start speculative enterprises.

The SECRETARY FOR MINES: Does not the hon. gentleman know that we have spent thousands of pounds in providing for our returned heroes? Would hon. gentlemen cut down that expenditure? In addition to other matters I have mentioned, we are also suffering from the legacy left us by the past Government. Yet the Hon. Mr. Hawthorn said that the present Government are not capable of running an ordinary fruit shop.

Hon. A. G. C. HAWTHORN: They have shown it.

The SECRETARY FOR MINES: Such remarks are mere petty attacks, which have no weight with the public. If hon. gentlemen could show by figures how the expenditure can be reduced, then the people of the country might take more notice of their criticism.

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

#### COMMITTEE.

(Hon. W. F. Taylor in the chair.)

The several clauses of the Bill and the preamble were agreed to without discussion or amendment.

The Council resumed. The CHAIRMAN reported the Bill without amendment, and the report was adopted.

#### THIRD READING.

On the motion of the SECRETARY FOR MINES, the Bill was read a third time, passed, and ordered to be returned to the Assembly by message in the usual form.

#### TREASURY BILLS BILL.

##### SECOND READING.

The SECRETARY FOR MINES: In introducing this measure, the Government are merely following the course which has been adopted by all previous Governments for liquidating annual deficits when they occurred. Deficits have occasionally been allowed to accumulate for a short time, but, in order not to lessen the amount of the public balances available, Governments have liquidated deficits in this manner. Treasury Bills Acts were thus passed in 1890, 1891, 1893, 1901, and 1902. The present Bill is for the purpose of extinguishing the 1916-17 deficit, which amounts to approximately

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£254,000. Perhaps it is well for me to point out that the Treasurer informed the Legislative Assembly that the accumulated net deficit from 1859 to 1891, carried forward from year to year in the revenue account, amounted to £1,303,576 8s. 5d. The deficits for the years 1891-2, 1892-3, 1893-4, 1900-1, 1901-2, 1902-3, 1903-4, and 1916-17 totalled £1,689,095 18s. 10d. This makes a grand total of £2,992,672 7s. 3d. The surplus for the year 1904-5 amounted to £13,995 5s. 11d., and the portion of the surplus for the year 1905-6 amounted to £21,709 13s. These two items, which total £35,704 18s. 11d., were carried to revenue account, thus leaving a net deficit of £2,956,967 8s. 4d. Under the Treasury Bills Act of 1890, 1891, 1893, 1901, and 1902 there were raised for the purpose of liquidating deficits the following sums:—

Year.	£	s.	d.
1891-1892 ... ..	279,055	0	0
1892-1893 ... ..	1,000,621	12	11
1897-1898 ... ..	295,608	10	6
1901-1902 ... ..	528,188	16	1
1902-1903 ... ..	600,000	0	0

These sums total £2,703,473 19s. 6d. The deficit of 1916-17, which is not yet provided for, amounts to £253,493 8s. 10d. We propose to follow the usual practice of liquidating that amount by the issue of Treasury bills. This is not the place to discuss or defend the financial administration of the present Government.

Hon. A. G. C. HAWTHORN: Why not?

The SECRETARY FOR MINES: For one reason, because it needs no defending. (Laughter.) Hon. members, however, are well aware that this deficit was due entirely to the abnormal conditions which have prevailed since the beginning of the war.

Hon. A. G. C. HAWTHORN: I thought you charged us with it.

The SECRETARY FOR MINES: We could lay a couple of charges to your door also, in that you refused to pass certain measures of a financial character that would have assisted the Government materially. Hon. members know also that the financial position of this State compares favourably with that of any other State in the Commonwealth.

Hon. E. H. T. PLANT: Will this £250,000 give the Government a clean slate?

The SECRETARY FOR MINES: It will liquidate last year's deficit. I have pointed out already that by the issue of Treasury bills the amount liquidated in the past total £2,703,473. The issue of these bills will not in any way interfere with the Commonwealth obtaining money for the conduct of the war.

Hon. A. H. PARNELL: What is the rate of interest?

The SECRETARY FOR MINES: The rate of interest is not fixed by the Bill.

Hon. A. H. PARNELL: It will depend on the rate of interest paid whether you interfere with the Commonwealth or not.

The SECRETARY FOR MINES: There are reasons for not stating the rate of interest in the Bill. The Treasurer has made an agreement with the Federal authorities that these bills will not be placed on the market without the consent of the Federal Treasurer. They may not be offered to the public at all as, no doubt, the Insurance

Commissioner and the Savings Bank Commissioner will take up most of the bills, if not all of them.

Hon. A. G. C. HAWTHORN: They have a million and a half at call now.

The SECRETARY FOR MINES: Provided the State institutions take up the bills, they may be taken up at 4½ per cent., but, of course if they have to be offered to the public the rate of interest will need to be a great deal higher.

Hon. A. H. PARNELL: As soon as you offer a higher rate of interest you clash with the Commonwealth borrowing powers at once.

The SECRETARY FOR MINES: Just so, but we are not offering a higher rate of interest. We anticipate that the bills will be taken up by our own State institutions. If not, some of the bills will be offered to the public, and it is not anticipated that the public will take them at a much lower rate of interest than is paid for other money, and, as everybody knows, money is pretty dear at the present time. I hope the Bill will be passed without very much discussion. We have several other important Bills to discuss this afternoon, and I make this suggestion before I sit down: that we might go right on with the second reading of this Bill, and also take it through the Committee stages. It is purely a financial measure.

Hon. A. G. C. HAWTHORN: It is none the less important.

The SECRETARY FOR MINES: It is none the less important, but rather than have it postponed we might pass the second reading and also the Committee stages.

Hon. P. J. LEAHY: Is there any urgency about it?

The SECRETARY FOR MINES: There is always this urgency—that we want to get on with public business.

Hon. P. J. LEAHY: That will not get it through any more quickly. We can go on with something else.

The SECRETARY FOR MINES: We have a good deal of legislation pending in this Council, and I want to try and meet the convenience of hon. gentlemen by adjourning each night at not later than half-past 10. It is all a matter of business.

Hon. P. J. LEAHY: This will not help us.

The SECRETARY FOR MINES: It will help us if we hurry through this Bill this afternoon, rather than keep it on the business-paper. I beg to move—That the Bill be now read a second time.

Hon. A. G. C. HAWTHORN: I do not think this Council will oppose the Bill. It seems to me that this is the only way in which the Government can meet the present position, but it again goes to emphasise the fact that the Government are not able to deal with the financial problems of the State. This Bill is brought in to meet a deficit that should easily have been anticipated last year.

Hon. R. SUMNER: The Treasurer anticipated a deficit of £150,000.

Hon. A. G. C. HAWTHORN: Yes, but he had more than £150,000 extra revenue, and if he had cut his coat according to his cloth he could have made ends meet. The Treasurer says in his Financial Statement—

“The transactions of the year closed with a deficit of £253,000. A shortage of £150,000 was anticipated by me in the

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Financial Statement of last year. It was proposed to meet the shortage by altering the incidence of the income tax in order to obtain additional revenue from taxpayers in receipt of incomes of more than £3,000 a year, and by imposing a super tax on all incomes over £400 a year. These proposals, however, though passed by the Legislative Assembly, did not receive the concurrence of the Legislative Council. The Government was, therefore, deprived of the additional revenue which I am now in a position to say would have yielded £120,000. If the increased tax had been authorised it does not follow that the deficit would have been reduced by the full amount, because the Government had promised, if the new taxation was authorised, to grant certain direct assistance to returned wounded and maimed soldiers and toward the scheme for repatriation which would have absorbed a considerable sum. It is intended to liquidate the deficit by the issue of a sufficient number of short-dated Treasury bills."

It was the duty of the Government, when they saw that they were not getting that extra taxation, and more particularly as they got within a couple of thousand pounds of that amount by extra revenue, to have made ends meet. However, the deficit is there, and it seems to me that this is the best way of meeting it. Presumably, the Council will not have any objection to meeting the deficit in this way, but I should certainly have liked to see two items in the Bill. First of all, the interest should have been limited to, say,  $4\frac{1}{2}$  per cent. per annum. In every Treasury Bills Act that we have passed in Queensland there has been a limit placed on the rate of interest, and in no case has it been higher than 4 per cent. Of course, the Minister says that under the present circumstances it is impossible to say what they will have to pay for the money, but I think, at any rate, they might limit it in some way and put in a maximum of 5 per cent. That would give them a good margin to go on. There is another item I would like to see in the Bill, and that is the express purpose for which this money is to be used. At the present time we propose to allocate it generally to the consolidated revenue. In former Acts—up to 1893—the special purpose for which the money was to be allocated was set out. That has not been done in the last four or five Acts. I have had nothing to do with Treasury Bills, because the Governments with which I was concerned always had surpluses. I do not believe in big surpluses, but I do believe in making your revenue agree with your expenditure. The Hon. Mr. Sumner, in speaking of deficits, said the Auditor-General had practically accused the Governments with which I was connected of having defrauded the revenue. The Auditor-General, in his report, says that every surplus during the years that I was connected with the Government was spent in reducing the public debt. The hon. gentleman will see, according to Table D, that from 1894 to 1915-16—including the time I was Treasurer—the total surpluses amounted to £1,624,511, and every one of those surpluses is accounted for by the issue of either Treasury bills, Government Savings Bank inscribed stock, or debentures issued under Government Loan Act. So that every penny of our surpluses went towards the reduction of the public debt of Queensland, as should

be the case in every instance. It seems to me that this is the only way in which the deficit of the present year can be met. We are clapping it on to posterity. We are going to issue ten-year promissory-notes practically, and then they will say, as has already been said, "Thank God, that's paid." And that will be the end of it. The unfortunate thing is that there will be another deficit—probably £500,000—next year which will have to be provided for in some way. I hope it is only £450,000, as anticipated by the Treasurer. It behoves the present Government, under the stress of war conditions, and the circumstances with which we are faced at the present time, not only not to have a deficit, but to arrange their finances in such a way as to have a small surplus. And it can be done. It is not for me to say how. It is for their inventive faculties to find out how to square their accounts without additional taxation. When the time comes—and I think it will come very soon—that a Liberal Administration has control of the Treasury again, then it will be time for the Liberal Administration to say how they are going to square their accounts. Until then it is not our duty to say anything. It is our duty as the representatives of the people of Queensland—and this Chamber represents the people just the same as the other Chamber, although we do not have control of the purse—it is our duty to show the public of Queensland where the money is being spent, and how it is being spent, and we are certainly within our rights in criticising the expenditure of public money.

HON. P. J. LEAHY: This is a Bill which I presume we must pass. I do not think there can be any doubt about that, but the fact that we intend to pass it is no reason why we should not comment on it adversely if we think it necessary.

HON. W. H. DEMAINE: A little bit of electioneering.

HON. P. J. LEAHY: Perish the thought! The hon. gentleman must not imagine that we resort to the tactics that he and his friends resort to.

THE SECRETARY FOR MINES: That is an admission.

HON. P. J. LEAHY: It is only an admission of the high view we take. We would not use our position in Parliament to try and influence the people on any matter that might come before them four or five months from now. The first thing to consider is why it is that this Bill is before us for consideration. It is here, and, of course, we will have to deal with it. But why is it here? It would not have been here if we had had a reasonable or an ordinarily prudent Government, or if they had controlled the expenditure of money as they ought to have done and practised economy.

HON. W. H. DEMAINE: A great word that, is it not?

HON. P. J. LEAHY: It is a very useful word, and a word very often used here. I have often used it myself, and I presume I will continue to use it very often during the remainder of the present session. Why is it that the Government had this deficit of a quarter of a million last year? It certainly was not because they did not get enough revenue. Speaking from memory, I think they had the largest revenue last year that any Government has had in Queensland.

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That being so, why have we a deficit of a quarter of a million? Reference was made to the Income Tax Act Amendment Bill of last year, which, as the result of amendments in this House, and which were not accepted by another place, was lost. Though the Government suffered a loss of revenue that was anticipated with regard to that, I think the revenue from other sources went beyond their anticipations, so that there should not have been any deficit at all if the Government had kept within their Estimates. We were told when the Bill was lost that it included something like £100,000 for the returned soldiers, and that the Government

[5 p.m.] could not go on with the Beerburum settlement or do anything for the returned soldiers, because this Council did not pass that Bill. I would like the Minister to explain to us whether they have been unable to settle any returned soldiers at Beerburum in consequence of that Bill not becoming law.

The SECRETARY FOR MINES: But it made us £100,000 worse off.

HON. P. J. LEAHY: The Minister told us that because the Bill of last year did not become law they would not be able to spend £100,000 for the returned soldiers which they intended to do. We said at the time that there never was any intention of spending that £100,000 for the returned soldiers, but that it was given just as a reason why we should pass the Bill. Primarily, it is the province of the Federal Government to deal with the returned soldiers, and that fact is recognised by the various State Governments of Australia. At the same time, every Government in Australia has done something more or less in connection with the returned soldiers' expenditure, which, of course, has come out of revenue. We were told a month or two ago by one of the Queensland Ministers who had just returned from the South that Queensland had done more in connection with settling returned soldiers on the land than any other State in Australia.

HON. H. C. JONES: That is correct.

The SECRETARY FOR MINES: Which Minister was that?

HON. P. J. LEAHY: I do not know whether it was the Secretary for Mines or not, but it was some Minister.

The SECRETARY FOR MINES: I have not been down.

HON. P. J. LEAHY: Surely the Minister knows that in a Cabinet there is collective responsibility, and that all the Ministers are responsible.

The SECRETARY FOR MINES: I agree with what he said.

HON. P. J. LEAHY: I do not agree. I have not the documents with me, but I propose to draw attention to a public statement made by Mr. Fuller, the recent Acting Premier of New South Wales. He will be remembered as the man who dealt with the strike there in such an effectual and humane manner, and settled it in a satisfactory way, in great contrast to the manner in which the Queensland Government dealt with our strike. Mr. Fuller stated that New South Wales had done far and away more in the matter of repatriation than any other Government, and comparing his figures with

what we know has been done in Queensland—anything which has been done by the Government in Queensland for the returned soldiers is a mere bagatelle compared with that done in New South Wales.

HON. R. SUMNER: He has wasted it.

HON. P. J. LEAHY: What right has the Hon. Mr. Sumner to say that the Government of New South Wales have wasted it, unless he is prepared to get up and state the manner in which they have wasted it?

HON. R. SUMNER: Yes.

HON. P. J. LEAHY: I suppose he will tell us they purchased estates and gave too much for them.

HON. R. SUMNER: One of them.

HON. P. J. LEAHY: All the estates, as far as I can gather from the Sydney papers, which were bought were purchased at reasonable prices; at any rate, the fact remains that, apart altogether from these purchases, the Government of New South Wales, in proportion to the population, settled more returned soldiers on the land there than the Queensland Government have done.

I come back to the question of the amending Bill of last year. I say that the statement that the Government intended to devote £100,000 of that for the purpose of repatriating the soldiers was not a true statement, and that our action last year in making the amendment which resulted in the loss of the Bill did not prevent them from doing what they thought was necessary for the returned soldiers, and that if we had passed that Bill there would not have been one more returned soldier on the land than there is to-day.

The next thing I want to come to is the fact that there is no rate of interest provided in this Bill. I recognise that, in the present difficult position caused by the world war, it is difficult for the Treasurer to say what rate he can get money for. I noticed, in reading the Sydney papers recently, there was a statement showing the rate of interest which was given by the Commonwealth Government on a loan of a few millions which they raised in London during the last few weeks; it was raised for the different States, and I think that Queensland was to have a proportion of it. Speaking from memory, the rate paid for that loan in London was either 6 per cent or  $6\frac{1}{2}$  per cent. It is questionable whether the present Government—because the State security is not quite as good as the Federal security—will be able to raise money at 6 per cent., and the fact that we may have to pay 6 per cent. or 7 per cent. should be a very strong reason for the present Government to reduce expenditure wherever it can be done, and to see that there is no deficiency next year in their accounts, so that there will be no necessity for a Bill of this description. If a man is reckless he can go on like Brewster spending his millions recklessly. There is a remarkable similarity between the man who spent Brewster's millions, and the Government, but men who have the welfare of the State at heart will not do that kind of thing. They will recognise that there is a limit to the amount of taxation, and will reduce their expenditure, without sacrificing efficiency, so that they can make their affairs balance. If that principle had been acted on last year there would have been no necessity for us to pass a Bill to raise a loan of

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over a quarter of a million of money. But if the same reckless extravagance is carried on—because this Government will be in power until May—we may have to face a deficiency again.

The SECRETARY FOR MINES: You are not justified in saying that we will only be in power until May.

HON. P. J. LEAHY: I am not prophesying at all, but that is my opinion. If anyone had told the Minister for Mines twelve months ago—

The SECRETARY FOR MINES: That I should be in the Upper House I would have said they were wrong. (Laughter.)

HON. P. J. LEAHY: If any one had told the Minister twelve months ago that the people of Queensland would put the seal of public approval on this Chamber by a majority of 63,000 votes the hon. gentleman would not have believed it. I do not wish to forecast the future, and as to what Government is coming into power; but whatever Government comes into power after May the financial year will have almost expired, and the figures at the end of June next will be figures for which this Government will be responsible for at least eleven months, and if they go on the way they have been going on, there will be a further deficiency next year, and some Government will have to introduce a Bill like this again. The only thing we can do is to pass this Bill. It is useless to lecture the Government and ask them to amend their ways. I do not think anything can be done until the people of Queensland recognise at the next general election that the Government should be replaced by a Government which will practise economy and efficiency, and which will represent not only one class, but all classes of the community.

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

#### COMMITTEE.

(Hon. W. F. Taylor in the chair.)

Clauses 1 to 5, both inclusive, put and passed.

On clause 6—“Power to Governor to authorise contracts for negotiation, etc.”—

HON. E. W. H. FOWLES: Had the Treasurer made any arrangements with the Federal Government for carrying out the phrase in the clause, “beyond the limits of Queensland,” or did he propose to raise this loan in Australia only? He understood that all the States had agreed with the Federal Government not to raise any loan outside the Commonwealth, except New South Wales, which would not come in, but Queensland did. This clause said they could place any of this money outside Queensland.

The SECRETARY FOR MINES: He had pointed out on the second reading that no issue would be made without first getting the consent of the Federal Treasurer. He thought that was quite satisfactory.

HON. E. W. H. FOWLES: No local issue in Queensland?

The SECRETARY FOR MINES: None whatever.

Clause put and passed.

Clause 7 put and passed.

On clause 8—“Money raised to form part of consolidated revenue”—

HON. A. G. C. HAWTHORN: As he had pointed out, it was usual in the earlier Treasury Bills to put in the specific purpose for which the money was to be paid, but the Treasurer said, in his Financial Statement, that this was a deficit, and a Bill would be brought in to wipe it out, and they had the assurance that this was the purpose for which the money was to be spent; he thought that, under those circumstances, it would not be necessary for the specific purpose being set out.

Question put and passed.

Clause 9 put and passed.

On clause 10—“Cancelling of discharged bills”—

HON. E. W. H. FOWLES: Might he ask the Minister how he made this Bill square with the fighting platform, as described in the “Worker,” page 24, of 8th November, which said that public borrowing was only to be for reproductive works and the repayment of maturing loans? This was a case of public borrowing. Was it for reproductive works or to meet maturing loans?

HON. P. J. LEAHY: This is a violation of the platform.

HON. E. W. H. FOWLES: That was the platform in which public borrowing is supposed to be only for these two purposes.

HON. W. J. RIORDAN: What platform is that—your caucus platform?

HON. E. W. H. FOWLES: The revised version. (Laughter.) The second of the commandments in the fighting platform seemed to be—

“Restriction of public borrowing and the establishment of an effective sinking fund.”

Might he ask the Minister how much of this £250,000 it was intended to apply to the sinking fund?

The SECRETARY FOR MINES: The hon. member knew that the amount raised by the Treasury bills would go to revenue, and he also knew that the Government had to meet deficits that had been created by their predecessors.

HON. P. J. LEAHY: No.

HON. E. W. H. FOWLES: You started with a surplus.

The SECRETARY FOR MINES: There had been previous deficits which had been carried on, and they had been met in this way.

HON. E. W. H. FOWLES: No; the last deficit was in 1903.

The SECRETARY FOR MINES: As he said on the second reading, he thought it wise to borrow for reproductive purposes. Some of the deficits had been created by building railways, for instance.

HON. P. J. LEAHY: That comes out of loan. This is revenue account.

HON. A. G. C. HAWTHORN: Do you call Mount Hutton a reproductive work?

The SECRETARY FOR MINES: Yes—a profitable work, anyhow.

HON. P. J. LEAHY: For somebody.

The SECRETARY FOR MINES: Wages and other things had to be paid, that were of a reproductive character. The action of

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the Government was really in conformity with the Labour platform. In any case, it was in conformity with the action of their predecessors in office. Bills of the same character had been passed previously.

Hon. F. T. BRENNALL: This is to cover a deficiency in last year's operations.

The SECRETARY FOR MINES: They proposed to meet the deficiency in the usual way.

Hon. P. J. LEAHY: He did not quite agree with the Hon. Mr. Fowles in condemning the Government. (Laughter.) It was true that the Government had broken the planks in their platform, and probably the Hon. Mr. Fowles was justified in drawing attention to that; but, if he intended to condemn them for that fact, he (Mr. Leahy) was not with him, because he thought they ought to be applauded for that. He would not condemn them if they broke every plank in their platform. It might be an excellent thing for the country if they did. What he did want to direct attention to was that the Minister frequently told them that they ought to pass a certain measure because it was one of the planks in the Government platform. Apparently they were prepared to ask hon. members to pass measures that formed planks in their platform when it suited them, and to ask them to break planks in that platform when it suited them to break them. For the future a statement from the Minister that a Bill should be passed because it was one of the Government planks would not have the slightest effect with him. Indeed the very fact that the Government had run counter to their own platform was a justification, if any were needed, for the numberless occasions on which the Council had broken planks in that platform in the past, and, he sincerely hoped, for the many occasions on which they would break them in the future.

Hon. E. W. H. FOWLES: Now that they were giving the Minister this £250,000, he supposed the hon. gentleman would withdraw the taxation measures since he had squared the account in this way, as the only reason for bringing forward those taxation proposals was to square the ledger. This might be the way that this Micawber-like Government intended to square accounts, and the greatest monument that could be raised to their memory when they left office would be a string of IOU's. It was a sorry comment on a Labour Government that they should, at the end of their term of office, be down at the heels, and have to say, "Lend us a 'fiver,' will you?" The culminating monument to their financial genius was a Bill authorising the raising of a quarter of a million of Treasury bills to square the ledger. He might point out, in reply to the Minister, that they had to go back as far as 1903-4 to find the last deficit. There had been continuous surpluses ever since then.

The SECRETARY FOR MINES: The hon. member should know that the Bill was introduced to provide for the deficit of last year, and that the taxation measures were to provide for the estimated deficit for the current year.

Clause 10 put and passed.

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

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## REGULATION OF SUGAR CANE PRICES— ACT AMENDMENT BILL.

### SECOND READING—RESUMPTION OF DEBATE.

Hon. C. F. NIELSON, continuing his speech of Thursday, 8th instant, by arrangement, said: When I spoke on Thursday last on this measure, I instanced some of the reasons given by the Secretary for Agriculture for introducing this Bill. When the Secretary for Mines was moving the second reading in this Chamber, he gave further reasons why the Bill had been introduced, and he reiterated about seven times that the Bill had been introduced in the interests of the growers. First he said—

"The present Bill will secure for the grower a better price for his cane than he has been receiving in the past."

Further on he said—

"The Bill is in the interests of the grower."

Again he said—

"Unless we secure for the grower a proper reward for his labour, we cannot hope to secure for the workers in the industry a fair share of the profits for their labour."

Apparently that is the keynote of this legislation. I am not aware that the workers in the industry are not to-day getting "a fair share of the profits for their labour." I am of opinion that the present award in the sugar industry is the highest award ever known in any agricultural industry in Queensland, or in Australia, or anywhere else that I have ever heard of. Coming back to the argument that the worker is not getting a fair share of the profits for his labour, we are in this position to-day, that in many districts in Queensland the canegrower, without any murmur, without any complaint, without voicing any protest against it in the public Press, is paying his harvesters as high as 100 per cent. more than the high rates already awarded by the Industrial Court. In certain districts in the North the industrial award is practically a dead letter, so far as the schedule and rates are concerned, and the rates have gone up from 50 to 100 per cent., and not a growl about it. Now, there can only be one deduction drawn from that fact, and that is that the grower is doing sufficiently well to pay even higher rates than those awarded by the Industrial Court.

Hon. A. G. C. HAWTHORN: Higher than the Dickson award?

Hon. C. F. NIELSON: The Dickson award is not now in existence, but cutting rates under the McCawley award are practically similar. The Hon. Mr. Beirne told us that there were workers in the industry getting £3 a day. I do not know where he got his information from.

Hon. E. W. H. FOWLES: Probably they were expert Clarence River cutters.

Hon. C. F. NIELSON: I do not know what particular class of labour the hon. gentleman referred to. The only man in the sugar industry I could imagine earning £3 a day, by working eight hours a day and four or five hours a day overtime, would be a sugar-boiler in a mill. I know that in many mills in the North, where they work three shifts, they have been unable to get a sugar-boiler for each shift, and they have had to pay overtime, which would allow

a sugar-boiler to earn something equal to the amount that the hon. gentleman said if he worked sufficient hours' overtime. I do not think there are any cane-cutters earning £3 a day, even at the high rates now paid them.

Hon. E. W. H. FOWLES: What would a contract team earn?

Hon. W. J. RIORDAN: A team might earn £3 if it were big enough.

Hon. C. F. NIELSON: I do not know what a contract team would earn; it would depend upon how many men composed it. But it is perfectly evident to me that all through this Bill, and the reasons behind it, is a desire to amalgamate at any rate a section of the canegrowers with a section of the workers for political purposes. Just now the canegrowers of Queensland are the finest fellows the Government ever heard of. But there is a great contrast

[5.30 p.m.] between the attitude of the Australian Workers' Union towards a certain section of the growers to-day and their attitude towards them in 1914. Mr. Martyn, who is well known to everybody as the secretary of the Australian Workers' Union, in an address to the Industrial Court in 1914, said that a number of the witnesses engaged in the industry—

“would very quickly get out of cane-growing if it did not pay them. The farmer had a reputation as the boss grower of Australia. They always had a grievance of some sort, and most of their growls might safely be taken with a grain of salt.”

They do not tell us that now; they are the best fellows under the sun. Although I never use instances of this kind for a party political purpose—I never suggest ulterior motives to anybody—yet it is perfectly plain that the statements of the Minister for Agriculture and the Minister for Mines are tinged with political bias. It may be unavoidable; it may not be designed; but it is that unconscious desire which I understand creeps over every candidate when the date of an election looms near on the horizon of politics. The Minister for Mines has told us that this Bill should be passed in the interests of the growers. He further said that the grower was not getting as much out of the industry as he deserved, and that the Bill was intended to secure for the grower a larger share of the profits of the industry than he is receiving at the present time. I want you, hon. gentlemen, to mark that—“than he is receiving at the present time.” The Minister further said that the Bill was solely in the interests of the grower, and that nothing would assist him more than a measure of this kind. The Minister also said that the Bill will secure a fairer price for cane than the grower received at the present time, and that the Bill is particularly in the interests of the small grower. With regard to the question as to whether the grower is receiving his fair share of the profits of the industry, we have to consider his position in relation to the position of the raw miller, and we cannot consider that without considering the ability of the raw miller to pay what is demanded of him. The ability of the raw miller to pay is limited, as the price for sugar is fixed at £21 per ton. All he has to pay with is the £21 per ton that he gets for his sugar. The Minister, in support of his contention, quoted certain figures to show the cost of production of raw

sugar, the cost including the price paid for cane and labour in tilling it. He took the year 1914-15. I do not know why he took that year, because there were no Cane Price Boards in existence during that year. There were no price regulations of any kind when that sugar was manufactured, but just about the end of the season price regulation did take place. It will be recollected that the war broke out early in August, 1914, and that shortly afterwards every State had a Necessary Commodities Commission, which fixed prices. Unfortunately for the sugar industry of Queensland, a month previously, in order to prevent sugar being imported from Java, the price of raw sugar had gone down in Australia by £1 per ton, and the Necessary Commodities Board in the South fixed the price of raw sugar on the price then obtaining in Australia. The Minister, in quoting figures regarding the cost of production, said that the average for all the mills amounted to £15 8s. 8d. per ton of raw sugar. Then the hon. gentleman went somewhat astray, saying that the retail price of sugar was £31 to £32 per ton. That is the retail price, or somewhere near the retail price, to-day, but it is nowhere near the retail price for the year that he quoted. It is not within £10 of the retail price for that year. The hon. gentleman went on to prove that the amount between £15 8s. 8d. per ton of raw sugar and from £31 to £32 for the refined article did not go to the growers, and he concluded that it went to the Colonial Sugar Refining Company or the Federal administration. There was no Federal administration with regard to sugar at that time. That did not come till the following year. There was no Federal control or Federal fixing of prices in the year the hon. gentleman referred to. Therefore, it is perfectly plain that the difference between the two amounts quoted could not have gone to the Federal administration. But, apart from that fact, the price of refined sugar had been fixed by the Necessary Commodities Commission at an average of £21 per ton throughout the State. There is a difference of £10 or £11 between that amount and the figures quoted by the Minister. When they fixed the price of sugar at that low figure in the South, there were protests against the action of the commission all over Queensland, and the Government backed up our protest and said that Queensland was not getting a fair deal at that price. I certainly think we were not getting a fair deal. However, the price, instead of being from £31 to £32 per ton, averaged about £21 per ton. The hon. gentleman's figures with regard to the cost of production are fairly correct, but with the refined article at £21 per ton there was left only £5 11s. 4d. to cover the cost of refining, distribution to wholesale houses, discounts—the canegrower and the worker having already received £15 8s. 8d. out of the £21 per ton fixed for the refined article, but the raw miller received only £14 15s. 6½d. to meet this cost, and, therefore, lost 13s. 2d. on every ton of raw sugar. Apparently, according to the Minister, the grower received £10 13s. 1½d. per ton, and £4 15s. 6½d. went in costs of manufacture to the raw miller. It will be seen that on the cost of production the raw miller was making no profit in 1914-15, but made a loss of 13s. 2d. as already shown. The Auditor-General's report supports the statement that those particular mills were making no money in

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1914-15, and that the same mills were not making anything in 1915-16, or in 1916-17. Coming back to the hon. gentleman's statement that this Bill is intended to give the grower a greater share of the profits of the industry than he is receiving at the present time, I would point out that he is already receiving in the main more than the millers can afford. How on earth then can this Bill, or any other measure we might pass, give the grower a fairer share?

HON. W. J. RIORDAN: The Board will fix that, and will arrange that the millers shall get a fair share.

HON. C. F. NIELSON: What the board have endeavoured to do in the past, and what they have signally failed to do, is to get a guinea out of a sovereign.

HON. W. J. RIORDAN: They did not try to do that.

HON. C. F. NIELSON: They practically tried to do that, because they asked the mills to pay more than they had received. With reference to the cost of production, I have here a table which I have prepared from the Auditor-General's report. The general manager of the Central Sugar-mills tells us that since the new industrial award came into force the cost of milling has gone up some 40 per cent. or 50 per cent. Let us have a look at the result of the Central Mills' operations as set forth in the Auditor-General's report for the season just closed. At the Babinda Mill, the cost of production was £17 19s. 9d. per ton. They paid for cane an average price of £1 4s. 11d., and made a profit on paper only of £457. They paid no redemption. The average price they received for their sugar was £18 0s. 4d. per ton. At the Gin Gin Mill, the cost of production—that is, the cost of purchasing cane, of haulage, and of milling—was £20 14s. 10d. per ton of raw sugar. The average price paid for a ton of cane was £1 1s. 5d., and the average price per ton that they received for their raw sugar was £18 3s. 6d. They lost £4,125. At the Isis Central Mill, the average cost to produce a ton of raw sugar was £22 4s. 3d.; average price paid per ton of cane, 14s. 5d.; average price received per ton of raw sugar, £18 16s. 1d.; total loss, £2,576. Although the Isis Central Mill made a loss, they met their obligations to the Treasury in full. At the Mossman Central Mill, the average cost to produce a ton of raw sugar was £17 18s. 1d.; average price paid per ton of cane, £1 2s. 9d.; average price received per ton of raw sugar, £18 2s. 5d.; profit, £1,461. At the Mulgrave Central Mill (no award), the average cost to produce a ton of raw sugar was £18 1s.; average price paid per ton of cane, £1 9s. 3d.; average price received per ton of raw sugar, £18 1s. 7d.; profit, £248. At Mount Bauple, the average cost to produce a ton of raw sugar was £24 9s. 4d.; average price paid per ton of cane, £1 2s. 9d.; average price received per ton of raw sugar, £18 6s. 1d.; loss, £8,833.

HON. W. J. RIORDAN: That is the result of defective machinery.

HON. C. F. NIELSON: It is not caused by defective machinery. While I am on that, it might be as well to explain how part of that loss occurred. Mr. Troy, a Government official, who represented the General Manager of Central Sugar Mills before the Central Board, pointed out that the award of the Central Board was responsible for a loss of 2s. 7d. per ton of cane treated at that mill by reason of having fixed too high an award.

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I have a copy of the shorthand notes taken before the board, and Mr. Troy stood up on the floor of the court and said the Central Board had caused this mill last year, by an award, to lose 2s. 7d. for every ton of cane they handled. At the North Eton Mill, the average cost to produce a ton of raw sugar was £20 10s. 5d.; average price paid per ton of cane, £1 3s. 10d.; average price received per ton of raw sugar, £18 3s. 7d.; loss, £3,814. At the Nerang Mill, the average cost to produce a ton of raw sugar was £21 17s. 2d.; average price paid per ton of cane, £1 1s. 6d.; average price received per ton of raw sugar, £18 15s. 4d.; loss, £2,784.

HON. W. J. RIORDAN: Another old mill. It is time they chucked it out. They have chucked Mount Bauple out.

HON. C. F. NIELSON: Now, take Plane Creek. This is the one bright spot in the Auditor-General's report. The average cost to produce a ton of raw sugar at Plane Creek was £16 14s. 8d.; and the average price paid per ton of cane was £1 7s. 7d. They subsequently paid a bonus to their suppliers which brought the total price up to £1 9s. Their average return per ton of raw sugar was £17 19s. 2d.; and they made a total profit of £6,442. At the Proserpine Central Mill, the average cost to produce a ton of raw sugar was £18 18s. 1d.; average price paid per ton of cane, £1 5s. 9d.; average price received per ton of raw sugar, £19 10s. 3d.; loss, £2,018. At the South Johnstone Central Mill, the average cost to produce a ton of raw sugar was £24 7s. 7d.; average price paid per ton of cane, £1 1s. 11d.; average price received per ton of raw sugar, £18 10s. 11d.; loss, £27,160.

HON. A. GIBSON: That is a new mill.

HON. C. F. NIELSON: The Minister gave the cost of production at £15 8s. 8d. per ton—that was in the 1914-15 season, before the Dickson award or the McCawley award either—and he showed us that the sum left to the mill was £4 15s. 6½d. If the cost of labour has gone up, according to the General Manager's report on central mills—if the cost of labour has gone up 50 per cent., he will have to add £2 some odd shillings to that £4 15s. 6½d., thus leaving nothing to the mill to pay depreciation, maintenance, and, in the case of Government central mills, interest and redemption; and, in the case of privately owned mills, interest on capital, whether it is on overdraft or capital originally subscribed by its shareholders.

HON. W. J. RIORDAN: What about the dividends?

HON. C. F. NIELSON: What dividends? Where are they?

HON. W. J. RIORDAN: The dividends paid by the Colonial Sugar Refining Company.

HON. C. F. NIELSON: Unfortunately for me, I have never had the pleasure of being employed professionally by that company and I do not know what their dividends are. The only thing I know about them is the criticism in the "Wild Cat" column of the "Bulletin." It is perfectly impossible and futile for any hon. member to criticise their dividends, for this reason: We know perfectly well that the Colonial Sugar Refining Company have six mills in Queensland, and I believe two or three in New South Wales. Then they have large interests in Fiji. Then, in days gone by—before the war—they imported sugar from other countries. It is a company that has been in existence for forty or fifty years, and they have accumulated



profits and reinvested them, and it is perfectly impossible for anyone reading the balance-sheet, as published in the financial papers, to say where their profits come from. It would be perfectly stupid for anyone to suggest that all their profits come out of Queensland, because their total proceeds in Queensland would not amount to the profits shown. They are millers, refiners, sugar-growers, investors, importers, and goodness only knows what else, and it is very hard to know where their ramifications end. If the Minister's figures, as quoted in this clause, furnish the only reason why the grower should receive a bigger share out of this industry, then his argument falls to the ground, because, as I have pointed out, his arguments are absolutely founded on wrong premises. I have shown from the statement of the Minister that the cost of production in 1914-15 was £15 8s. 8d. Of this amount the grower received £10 13s. 1d., leaving £4 2s. 5d. for the miller. The Minister stated that the cost of manufacture, interest, and redemption was at that time £4 15s. 7d.

Hon. R. BEDFORD: Is that in connection with the Bauple mill?

Hon. C. F. NIELSON: No; all the mills mentioned in the table supplied by the Minister. Therefore, on that statement the average loss per mill was 13s. 2d. per ton of sugar, or about 18d. per ton of cane, and a perusal of the Auditor-General's report for that year will show that that is just about correct, if you lump all those mills together. We have heard a plea urged here on behalf of the small grower, and we might examine that plea. The Minister stated that the Bill was in the interests of the small grower. I have stated here on several occasions, and I say now, that what we ought to be concerned about is the preservation of the industry as a whole. (Hear, hear!) We have a double duty to perform; not only have we our duty to the State of Queensland, but in a national sense; if we view sugar as a necessary of life we know that Queensland at the present time is the only State which is climatically fit to produce cane sugar. Therefore, in the interests of the Commonwealth as a whole, of which we are a part, it is our duty to protect the industry as a national asset, and we ought to be concerned rather in the interests of the industry as a whole than in any section of the industry. If we examine the plea for the small grower and take the mills that we know of—particularly the Government central mills—we find that certain mills are doing well, others are doing fair, and others again are doing badly.

Hon. R. SUMNER: The same as every other industry.

Hon. C. F. NIELSON: Quite so. We will eliminate two mills for a start—Babinda and South Johnstone. Those mills have only recently been erected, and you cannot honestly compare them with what might be termed established mills or established districts. I think that is a reasonable thing. We come to Gin Gin. Take last return. They have ninety-one suppliers who supply 17,914 tons, or an average of 196 tons per farmer. That mill is doing badly, and has done badly for years. Mossman has 101 suppliers, who supply 63,884 tons, averaging 538 tons per farm, and it is in a very fair position. Mulgrave, with seventy-five suppliers, supplying 78,954 tons, and averaging 1,053 tons per farmer, is in a very good position. Mount

Bauple, with 161 suppliers supplying 17,151 tons, and averaging 106 tons per supplier, is in a very bad position. North Eton, with seventy-one suppliers, supplying 17,242 tons, and an average of 243 tons per supplier, is in a fair position. Nerang, with ninety-four suppliers supplying 8,964 tons, and averaging 95 tons per farmer, is in a bad position. Plane Creek, with 186 suppliers, supplying 45,714 tons, and averaging 240 tons per farmer, is in a fair position. By position, I mean the financial. Proserpine, with 234 suppliers, supplying 46,646 tons, and averaging 200 tons per farmer, is in a bad position.

Hon. A. G. C. HAWTHORN: Proserpine has done well—but not this year.

Hon. C. F. NIELSON: Some years they did, but they were not up-to-date on 30th June last; they were a long way behind, if you are going to test the thing by the pounds, shillings, and pence result, which I am applying. It is open to hon. members to see whether that is reasonable or not. They may argue that that is not a proper way of testing it. I am not arguing that it is, but I state it as my test.

Hon. R. SUMNER: As a paying proposition?

Hon. C. F. NIELSON: Yes. I will give you a private mill situated at Maryborough, which I am at liberty to give. It is a company, and there are two or three leading men in it. They cannot make a fortune out of it. Nobody with any commercial knowledge would ever dream of putting a mill there, after knowing the history of that mill, or buying the company out and carrying on the business. They had last year a total number of suppliers of 186, and received cane from thirty-eight different railway sidings. They had nine suppliers of over 200 tons per man, four between 150 and 200 tons, twenty-seven between 100 and 150 tons, thirty-five between 50 and 100 tons, and 111 suppliers under 50 tons. I might mention that forty-one of those suppliers supplied less than 41 tons per man. As reasonable men we know that those suppliers whatever complaints they may have, if they got £5 a ton for cane they could not make a living out of it. They are not canegrowers in the industry, depending on the industry for a living, because they could not live out of such small areas.

Hon. R. SUMNER: It was a by-crop.

Hon. C. F. NIELSON: It was a good average crop, I may tell the hon. gentleman.

The SECRETARY FOR MINES: What were the profits of the mill?

Hon. C. F. NIELSON: They were negligible; they were minus. I will give a list of fourteen mills. This is one of the mills with small suppliers. The whole record of the mills in Queensland that have succeeded shows that it is only the mills where the growers are in a sufficiently large way of making a living and have sufficient under cultivation every year that can succeed.

Hon. W. J. RIORDAN: How do you account for that—what difference does it make to the mill?

Hon. C. F. NIELSON: All the dissatisfaction is caused by the unsatisfied people—

Hon. R. BEDFORD: The only satisfied people were the Childers people, who were tenant farmers of the Colonial Sugar Refining Company and the Treasury, because

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they did not owe them any money. There are many tenant farmers there.

HON. C. F. NIELSON: It is some years since I had any knowledge of the Childers district, and when I knew it there were three or four mills there. There was the Doolbi Mill, the Colonial Sugar Refining Company's Childers Mill, the Knockroe Mill, and the Isis Central. With the exception of the Isis, the other three mills did not own any cane lands.

HON. R. BEDFORD: I am speaking generally. Of course the subject of sugar is too sacrosanct for me to know anything about it! If you have mastered the sugar question, surely I shall be able to master it in time!

HON. C. F. NIELSON: The hon. gentleman might be able to master it in time. He made a speech on mineral matters on which I know little. I listened with great attention, as I am prepared to learn. I have not learnt all about the sugar industry in two minutes, like the hon. gentleman did when he went to Childers.

HON. R. BEDFORD: I did not go to learn about sugar. I was on my own business.

HON. C. F. NIELSON: When the hon. gentleman spoke about refractory ores I was absolutely ignorant, but I listened with interest all the same.

HON. P. J. LEAHY: Did you get any information?

HON. C. F. NIELSON: I believe I did, because I think the hon. gentleman knows something about the subject. Take the Proserpine Mill. That has been one case where the Government had to come and appeal against the award of the board. I have been to the Proserpine Mill and through the district. It is not what you might call a first-class sugar district; I suppose it is on a level with parts of Mackay; they are not first-class sugar districts. I learnt from the hon. member for Bowen that at the Proserpine Mill they have forty growers, who supply less than 50 tons per man, and they have between forty and fifty growers who supply less than 100 but above 50 tons. We know that Proserpine is a district where there are a great many complaints about the quality of cane that is produced in the district, and the same thing happens in other districts, particularly Mackay. Mackay is a district I know fairly well, having been over it several times. You cannot compare it with any of the Northern districts, or the Southern districts, such as Childers or Woongarra, for fertility or quality of soil. A man said to me in June last, when driving on the road from Mackay, "There is a fine crop of cane. What do you think it will go?" I said, "I suppose about 16 or 18 tons to the acre." He said, "Yes, that is about right." He looked on that as something marvellous. That is an ordinary thing in a season such as we have anywhere, and double that is not uncommon, and treble that is met with every day in a season like we are having now. My argument is that the whole request and complaint comes from a district where the farmers are either in too small a way, or on too poor a quality of soil to make a living. I can give you any amount of facts.

This year there are 186 suppliers [7.30 p.m.] to the Maryborough Mill, averaging 106 tons per man, and that in one of the best seasons we have known. The intent and purpose of this legislation is

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to satisfy a section of the growers for political purposes.

The PRESIDENT: Order! I must call the hon. member's attention to the fact that he is not in order in attributing ulterior motives to the Government with respect to the introduction of any legislation.

HON. C. F. NIELSON: Well, I will say that that is the effect of this legislation. It is said that all is fair in love and war, and I think the same holds good of politics. I am not blaming anyone for this, but I am pointing out that it will not do any good to anyone. The very people whom this is designed to benefit will not be benefited. It is a promise that more than 20s. will be got out of every £1, and that can never be realised. It is merely gulling men into false anticipations that will never materialise. The industry can only be preserved by preserving every section connected with that industry, not by catering for one section at the expense of other sections. We saw the effects of the Dickson award.

HON. W. J. RIORDAN: A lockout.

HON. C. F. NIELSON: The Hon. Mr. Riordan calls it a lockout. Well, who were the people who practised the lockout?

HON. W. J. RIORDAN: The farmers.

HON. C. F. NIELSON: I thank the hon. member very much for the information. It was that section of the farmers known as the United Cane-growers' Association. They formed themselves into a protection committee at Mackay, and refused to employ anybody or to allow any man to employ anybody unless he had a permit from the executive of their association.

HON. I. PEREL: Well, we are returning good for evil.

HON. C. F. NIELSON: That was the result of trying to give one section of the industry more than the whole industry could stand in order that all might live. This is another attempt, according to the statement of the Minister, in the same direction—an attempt to get 21s. out of a sovereign—a thing that no one has ever achieved yet.

HON. R. BEDFORD: The Colonial Sugar Refining Company tried to get 19s. 8d. out of it.

HON. C. F. NIELSON: I showed this afternoon that, on the showing of the Minister, the grower was getting more than 19s. 8d.

HON. R. BEDFORD: Don't you believe in the producer getting all that he possibly can out of his work?

HON. C. F. NIELSON: I do not believe in that at all. I believe in his getting all that he is entitled to get in order that all may live. I know something about sugar-growing. A man cannot live in a district all his life without knowing something about the industries that exist there. I have lived on a farm. I was the president of the Woongarra Farmers' Association for about ten years. I know a little about each branch of the industry. I know nothing about the technicalities of milling, but I know the financial results of milling, because I have been in a position to obtain them, not only the financial results as published in the Auditor-General's report, but professionally, from having the sworn figures of a number of mills before me. Unfortunately, perhaps, for me, I was not in a position to get the

financial results of the mills belonging to the company which the Hon. Mr. Bedford is always quoting, because I was not employed by them.

HON. R. BEDFORD: The Colonial Sugar Refining Company are employing me.

HON. C. F. NIELSON: Then the hon. member is a lucky man. I hope he is well paid.

HON. R. BEDFORD: I am.

HON. C. F. NIELSON: The Minister quoted the cost of production for 1914, and he quoted the price of sugar in 1916-17, and he compared the two.

The SECRETARY FOR MINES: I proved that the grower is only getting one-third of the price realised for the sugar.

HON. C. F. NIELSON: The hon. gentleman took the price of sugar at the present time and the cost of production of three years ago. He did not take the price of sugar at that time, when it was £21 per ton—not £31. In 1914 the price was fixed by the Necessary Commodities Commission in the South at £21 per ton.

The SECRETARY FOR MINES: I was dealing with the price of refined sugar.

HON. C. F. NIELSON: The price of refined sugar was fixed in 1914 at £21 per ton, and the hon. gentleman's Government, the sugar-millers, and the sugar-growers all complained that the Necessary Commodities Commission fixed the price of sugar so low that it was not a fair deal for Queensland.

HON. R. BEDFORD: What were they getting for cane then—10s?

HON. C. F. NIELSON: No.

HON. A. G. C. HAWTHORN: Were the growers getting more than one-third of the price of sugar at that time?

HON. C. F. NIELSON: About five-sevenths of the price of raws. I will read an extract from the evidence taken by Mr. Justice Macnaughton in his capacity as Industrial Judge at Bundaberg on 2nd April, 1914. This is from the evidence of Mr. Frederick Courtice, a canegrower—an hon. gentleman who is now sitting at that table—

“Industrial Court,  
“3rd April, 1914.

“Frederick Courtice, canegrower, at Barolin, stated that he had always been in sympathy with the Labour movement. Four years ago, in conjunction with his two brothers, he leased a farm at Barolin. The farm contained 121 acres. Twelve acres were under cultivation when he took it over. The rest of the farm was very dirty, it having been used for a dairy run. The place was overrun with couch grass. The land comprised red, yellow, and black soils. Portions of the land required no less than six ploughings, and the rest at least three. They started with a capital of £400 and had been successful. They offered to purchase the farm for £3,000, agreeing to pay half themselves and the bank the other half. The owner would not sell nor would he give them an extension of the lease. The rent was £125 per annum, and the rates averaged about £25 per annum. He paid £80 rent the first year and £150 a year since. He employed casual labour. He paid his cutters day wages at the rate of £2 10s. per week and keep, or £3-5s. per week without

keep. He could afford to pay those rates and improve himself financially. Since going on the farm, he had been able to purchase seven draught horses, and he and his brothers had purchased a horse and sulky each and other plant of a total value about £350. They were about £100 clear after paying all these expenses.”

HON. F. COURTICE: In how long?

HON. C. F. NIELSON: In four years, after taking a farm with only twelve acres under cultivation, the rest in a dirty state, full of couch grass, part of it requiring six ploughings, and the rest of it at least three.

HON. R. BEDFORD: There is no “go-slow” among that crowd, anyhow.

HON. C. F. NIELSON: I am quite satisfied there is not. (Laughter.) All honour to the Hon. Mr. Courtice and his brothers for succeeding.

HON. A. G. C. HAWTHORN: We are losing our time here.

HON. C. F. NIELSON: I am afraid we are losing our time here. The Minister quoted the cost of production in the year 1914, and he compared that with the retail price of refined sugar at the present time, when it is £10 or £11 more than it was in the year with which he was comparing it.

The SECRETARY FOR MINES: I quoted the year 1915.

HON. C. F. NIELSON: For the hon. gentleman's information, I may say that the sugar year runs from: 1st July to 30th June. The figures were perfectly correct as to the cost of production for the year for which they were quoted, but it was absolutely incorrect to compare them with the retail price of refined sugar at the present time.

The SECRETARY FOR MINES: What was the retail price for the year 1915—£29 per ton?

HON. C. F. NIELSON: No, the £29 was fixed the following year, when the Commonwealth Government fixed the price of raw sugar at £18 per ton. I will go back to the year previous. The Secretary for Agriculture criticised certain remarks made by the hon. member for Burrum, who maintained, as I maintain, that a man must have a living area.

The SECRETARY FOR MINES: They are together on this Bill.

HON. C. F. NIELSON: I do not know where they are. Probably they do not know themselves. (Laughter.) The hon. member for Burrum had been pointing out that a man must have a living area—an area sufficient in size, correctly situated, and with the right quality of soil, in order to be able to make a living at canegrowing. In discussing that the Secretary for Agriculture said—

“The hon. member for Burrum spoke about some correspondence that appeared in one of the newspapers, in which it was stated that a man with 150 acres of land, farming 100 acres, could make £1,000 per year, and he suggested that a man under those conditions could not possibly make that sum.”

That is to say, the hon. member for Burrum said he could not possibly make £1,000 per year out of a place of that kind. Then the Secretary for Agriculture went on to say—

“That all depends on circumstances, just as the price of cane depends on

*Hon. C. F. Nielson.*]

circumstances. I know a case where a man rents 143 acres of land, and I venture to say that he has made quite £1,000 per year for the last four years and paid £2 per acre per annum rent. Of course, he is a first-class farmer, and that is where the crux of the whole thing lies."

HON. R. BEDFORD: First-class land too.

HON. C. F. NIELSON: I do not know where it was.

The SECRETARY FOR MINES: You are proving that the Government have not crippled the industry.

HON. C. F. NIELSON: The Government had nothing to do with this man's land, with his rent, or the fact that he was a first-class farmer. They did not create either him or his farm.

HON. R. SUMNER: You are proving that they are doing very well under present conditions.

The SECRETARY FOR MINES: So they are.

HON. C. F. NIELSON: We are told by the Minister that the growers are really a much-abused section of the community, and that they are not getting what is their fair share of what is going in the industry, and that they require more money. I want to know where it is going to come from.

HON. R. BEDFORD: They have to be protected. They are not getting a fair deal.

HON. C. F. NIELSON: Are they not getting a fair deal?

HON. R. BEDFORD: No.

HON. C. F. NIELSON: I do not know how this Bill will help them. Every mill I know anything about, bar three or four, is losing money. Where is more money to come from?

HON. R. BEDFORD: This Bill will prevent millers holding up their mills against the law.

HON. C. F. NIELSON: It will not.

HON. R. BEDFORD: It threatens them anyhow, and everyone knows how timid a threatened cat is.

HON. C. F. NIELSON: There is no law that can make a farmer grow cane; neither is there any law that can make a mill run at a loss.

HON. R. BEDFORD: We do not propose that they should run at a loss.

HON. C. F. NIELSON: I am pointing out that nearly every mill has been run at a loss for years past. The Minister pointed out that this Bill was going to give the grower a larger share of the profits than he was receiving at the present time. I have shown that there is nothing left to divide. Under those circumstances, I cannot see how the grower is going to get anything more out of nothing. The Premier gave as a reason why this Bill should be introduced that a promise had been made to a section of the growers that it would be passed. When negotiations were carried on between the Queensland Government and the Federal Government to obtain a better price than £18 per ton for sugar, certain stipulations were made on each side. Those stipulations were made in Melbourne in May last, and I think they appeared in the "Courier" in the report of an interview which I gave to a representative of that journal in connection with the sugar industry. The Premier of Queensland stipulated that the regulation of

Sugar Cane Prices Act Amendment Bill should be introduced during the present session of Parliament, because the Government had given an undertaking to the growers to introduce it. The result was that the Federal Government agreed that he might introduce the measure, on the understanding that it should be introduced in exactly the same form as it was introduced last year. That assurance was given, and the assurance was endorsed by Mr. Hunter, the Secretary for Public Lands, in a letter to the Federal Government. In that letter he emphasised the statement that the Bill would be introduced in exactly the same form as the measure of last year, and that no material amendment of any kind would be accepted.

HON. R. BEDFORD: For the year 1917.

HON. C. F. NIELSON: The Bill which is before us is not limited to the year 1917. It is a Bill of general application.

HON. R. BEDFORD: It cannot affect this season's crop.

HON. C. F. NIELSON: It can affect this season's crop, because it is a Bill of general application.

HON. R. BEDFORD: Even a Bill of general application cannot apply to the past.

HON. C. F. NIELSON: Of course, it can. If the Bill were passed to-morrow and the Governor assented to it, it would apply that very minute.

HON. R. BEDFORD: You know very well that it does not apply to this season's crop.

HON. C. F. NIELSON: I know nothing of the kind. I am pointing out that the agreement was that no alteration would be made in any part of the Bill. The Government, according to the published statements, gave that assurance, and the Bill tabled in another place was exactly identical with the Bill tabled last year. But what happened? During the course of that Bill through another place, members supporting the Government tabled amendments which were absolutely and essentially different from the main principle of the Bill, or were additions to the principle of the Bill. The Ministers had given an assurance that no such amendments would be accepted. But what happened when the first division took place? The matter became a party question, and the Ministers stood behind the amendments which made material alterations in the Bill, though they had given an undertaking to the Federal Government that no such amendments would be accepted. We find that the Melbourne "Argus" and the Melbourne "Age" of 2nd November—

HON. R. BEDFORD: They know a lot about sugar.

HON. C. F. NIELSON: They do not pretend to know anything about sugar. They have not the assurance of the hon. gentleman to pretend to know anything about things which they do not understand. The "Age" said—

"A further conflict has arisen between the Commonwealth and Queensland Governments over the terms of the sugar agreement. When the Prime Minister conducted the negotiations for the purchase of the old sugar crop an assurance was given by the Queensland Minister for Lands, and confirmed by Mr. Ryan, that no material alterations would be made in

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the Sugar Cane Prices Bill, then in suspense in the Queensland Parliament. On these assurances the Prime Minister signed the agreement, the main provisions of which were that £21 per ton was to be paid for raw sugar, that the rates of wages under the McCawley award were to remain constant, and that the wholesale price of sugar was to be such as to allow it to be retailed at 3d. per lb. In the Legislative Assembly the Bill was amended to enable the Queensland Government, in certain contingencies, to take possession of mills and work them at the owners' expense, and no provision was made to prevent the application to this year's crop. The Bill is now before the Legislative Council. As the conditions of the industry may be affected during the currency of the Federal Government's agreement, which expires next June, Mr. Hughes has asked Mr. Ryan to secure an alteration of the measure in harmony with the Queensland Government's assurances. No reply has been received. The acting Prime Minister, Mr. Cook, states that the amendment of the Bill is a clear departure from the written compact, and is an evident breach of faith with the Commonwealth Government."

The SECRETARY FOR MINES: What does Mr. Ryan say? He says "No."

HON. C. F. NIELSON: I know that he says "No," and that other Ministers say "No." They say this Bill does not affect this season's crop. But there is not a word in the Bill which says it does not affect this season's crop.

HON. R. SUMNER: Whom are you going to believe—Hughes or Ryan, Hughes or Higgins?

HON. C. F. NIELSON: I believe that this Bill will affect this season's crop if it is passed.

HON. I. PEREL: You will believe anything.

HON. C. F. NIELSON: I believe my own eyes, and I defy any man in this House to show me anything in the Bill which says that it does not affect this season's crop.

HON. R. BEDFORD: Why, it is owing to you that Ananias is out of work.

HON. C. F. NIELSON: Has your friend Ananias complained to you about being out of work?

The SECRETARY FOR MINES: The Bill does not affect this season's crop.

HON. C. F. NIELSON: It does affect this season's crop, and I will show that. No member can find any word in the Bill which says that the Bill is not to come into operation until after the 30th June, 1918, and we know that immediately a Bill is assented to it becomes the law of the land.

HON. F. COURTICE: How does that affect the situation?

HON. C. F. NIELSON: The mills are going, and the moment the Bill passes a new law will come into operation, and the mills cannot stop. The Bill will affect them, because it contains provisions under which the Central Board and other authorities can deal with the mills. The Premier pointed out time after time that the Bill is really introduced merely to correct an anomaly. If we investigate the present Act and the Bill which is now before us, we shall see at a

glance that the Bill goes much further than merely correcting an anomaly; it establishes new principles. If the Government are really concerned about the interests of the cane-growers and the sugar industry as a whole, and if they are anxious, as the Secretary for Mines has told us they are, to do something in the interests of the cane-grower, there are many things they could have done—something of a much more tangible nature than what they propose to do in this Bill. The greatest thing they could have done for the industry and for the State of Queensland was to have grasped at the opportunity of getting the price of £21 per ton for raw sugar fixed for three years, instead of for one year.

HON. F. COURTICE: Whose fault was that?

HON. C. F. NIELSON: It was the fault of the Government of Queensland.

HON. F. COURTICE: They were simply to stop all importations for three years?

HON. C. F. NIELSON: Yes.

HON. F. COURTICE: How could they guarantee industrial legislation during that period?

HON. C. F. NIELSON: I will explain how the Government could guarantee industrial legislation. The only condition they were asked to comply with at the final stage of the negotiations between the [3 p.m.] two Governments was that the industrial conditions in the sugar industry should not be altered for three years, meaning the legal industrial position, or, in other words, that the award known as the McCawley award should remain unaltered for three years. The Queensland Government were perfectly able to say "Yes" to that, and could have said it just as easily as they said "No."

HON. F. COURTICE: They could not guarantee it.

HON. C. F. NIELSON: They could, because all they had to do was to pass a Bill through both Houses of Parliament, providing that this award should remain in force until the year 1920, and that would prevent the Industrial Court interfering in the matter.

HON. F. COURTICE: They could not guarantee that there would be no strikes.

HON. C. F. NIELSON: The Federal Government did not ask the Queensland Government to guarantee that there would be no strikes. They simply made it a stipulation that the local conditions—whether it was an award of the court or an Act of Parliament—should not be interfered with for three years. They had that power.

HON. F. COURTICE: They had power to pass an Act, but no power to enforce it.

HON. C. F. NIELSON: Neither has the court power to enforce anything. As a matter of fact it would have been a very cheap bargain for the State of Queensland had our Government grasped that at once and said "Yes, we will guarantee that the award, legally, shall not be interfered with for the next three years if you give us £21 per ton for our sugar."

HON. T. C. BEIRNE: Your point is that they refused the manufacturer a higher price.

HON. C. F. NIELSON: My point is this: That our Government missed getting £21 per ton for raw sugar for three years when they

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had it offered to them. That sum, to anyone who understands the industry, is the highest we can hope to obtain.

Hon. I. PEREL: In the ordinary course of business you cannot look ahead for three years.

Hon. C. F. NIELSON: Let me assure the hon. gentleman that there would have been no Queensland sugar industry to-day if we could not look three years ahead. Is there any man who would lease a piece of land, or fell the scrub on a piece of land, if he could only see twelve months ahead?

Hon. F. COURTICE: He would rely on the good sense of the people.

Hon. C. F. NIELSON: He relies on the circumstances then existing remaining reasonably stationary for a period that will justify him in expending his money in going into an industry in which he cannot get his money back in one year.

Hon. F. COURTICE: He has confidence in the industry.

Hon. I. PEREL: You could not guarantee the conditions three years ahead when a war is on.

Hon. C. F. NIELSON: The Premier was not asked to guarantee anything. He was asked to put a certain thing on paper and to say "This will remain the law of the land for three years." It was much more difficult for the Federal Government to guarantee the pounds, shillings, and pence for three years than for this Government to guarantee a continuance of existing conditions. It would involve them in no cost, and in no loss. If the Government had been really solicitous for the welfare of the industry and those engaged in it, they would have grasped the opportunity with both hands and feet. Why did they not grasp it? Because they had not the moral courage to establish an award by Act of Parliament for three years. I will give you an example of how the Government, if they really wanted to do something for the sugar-growers, could give them a little bit of relief now. We know that a great lot of the sugar-cane that is being harvested to-day is standover cane which, for the information of hon. members, means that it is cane which was not harvested last year. Therefore, the growers who are harvesting standover cane to-day had no income at all from that particular land last year. This year, owing to the climatic conditions that prevailed in the early part of the year and at the latter end of last year, they are reaping a very good harvest, but many of them had no income at all last year. Is the Government proposing to exempt them from income tax in respect to the crops this year, or partly exempt them, seeing that they are having a two years' income in one year? They could give them relief in that direction if they desired to give what I call substantial and tangible relief. There are hundreds of growers who did not cut a stick of cane last year. Some of them had to borrow money to carry on.

Hon. R. SUMNER: Many other industries are in the same position.

Hon. F. COURTICE: Does not that affect your argument that they were getting too much?

Hon. C. F. NIELSON: I did not say they were getting too much. I have never used that expression, and I defy anyone to prove

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that I said anyone was getting too much. I would be as happy as the Hon. Mr. Courtice, who is directly interested, would be, if he could get double the present price for his cane. It will be all the better for everybody in the State, particularly those directly engaged in the industry and those in the sugar districts, if the price were greater. The more value the industry is, the better it is for the State. That requires no assertion, as it is self-evident to everybody. The whole thing that I am concerned about is that the division of the money in the industry is coming to this stage: that one section is going to the bad, and if one section goes to the bad the whole lot will collapse.

Hon. I. PEREL: The top section—the Colonial Sugar Refining Company—is getting the lot.

Hon. C. F. NIELSON: I do not know how much the hon. gentleman knows about the Colonial Sugar Refining Company. I wish he would inform me of what he knows, because I know nothing.

Hon. I. PEREL: I have been reading their dividend list.

Hon. C. F. NIELSON: If the hon. gentleman will give us some information about the company we will discuss it. I have been unable to obtain any information, and I have read their balance-sheets and the criticisms in the "Wild-cat Column" of the "Bulletin" and elsewhere, and I cannot get any information so far as it affects the sugar industry in Queensland. But I can get information out of the Auditor-General's report in regard to the individual mills whose accounts he audits. I can get information about the fourteen mills whose sworn returns were in my hands, copies of which I kept. I have that information, but it does not include information in regard to the company to which the hon. gentleman refers, and I would be only too pleased if I could get information in regard to that company. If the Government were really solicitous for the growers there are two instances where they could come along and give them some substantial assistance, if they require assistance.

Hon. R. SUMNER: You said they were all doing well, and that they did not want assistance.

Hon. C. F. NIELSON: I did not say that. It was the Hon. Mr. Courtice and the Hon. Mr. Lennon who said so. I am only reading to you what the witnesses said as distinguished from the statement of the Secretary for Mines, who said they required a greater share of the profits of the industry. I have given you no evidence myself. I have only given you the evidence of others.

Hon. G. PAGE-HANIFY: You think they are doing well.

Hon. C. F. NIELSON: I do not think it at all, but I hope they are doing well. The question is: Is this Bill going to give the growers any more money? I fail to see that it is. What is the use of promising the growers more money? Of course, if a Government is in power and they have the public purse into which they can dip year after year to make up the losses of the mills under their control, the mills can go on as long as the State lasts, but where is a private company, who has no purse of others to dip into, going to make up the deficiency? What concerns me is this: What is going to happen when they have no funds with which

to pay? If the mills stop, the growers stop. That ends it. We have had various reasons given to us why the Bill was introduced. I want to know who has clamoured for this Bill.

HON. F. COURTICE: The growers of Queensland.

HON. C. F. NIELSON: Nonsense. There are some 4,000 odd growers in Queensland. The Secretary for Agriculture tells us that he has made every endeavour to discover what the growers want, and he has failed. He told us that he circularised all the growers' associations of Queensland, and that he could get no unanimity. When he was away up North at Innisfail he called a meeting of growers there. Over one hundred attended, and he tells us in his explanation that two or three got up and addressed the meeting, and they contradicted each other. Then four or five others got up, and they contradicted the previous speakers, and then he said, "Between the whole lot you see the difficulty I am in. It is very difficult indeed to discover what the growers want." Then the Minister said, "After finding out that it is impossible to discover anything like unanimity amongst the growers, I took a unique course of action. I posted a copy of the Bill to every grower in Queensland." He posted a copy of the Bill that was tabled in this Council during last session, and he posted a copy of the Bill with the amendments made by the Council, and in addition he posted a circular letter addressed to every grower in Queensland, as follows:—

"Brisbane, 16th February, 1917.

"Sir,—I enclose herewith for your information the Regulation of Sugar Cane Prices Act Amendment Bill showing the character of the Bill as passed by the Legislative Assembly and its mutilated condition as returned to that Chamber by the Legislative Council.

"The Legislative Council appointed a Select Committee to report on the Bill, and every recommendation of that committee was accepted by the Council. The personnel of the Select Committee, the witnesses called, and the subsequent amendments inserted by the Legislative Council all indicate that both the Council and the Select Committee were acting under some sinister influence. The witnesses are also evidently all members of an association which is opposed to this legislation.

"The Bill as it left the Assembly evinced the desire of the Government to amend the Cane Prices Act, so that it could be administered economically and with the particular object of enabling the canegrower to get a just price for his cane.

"In framing this Bill, particular attention was paid to the sections that had been proved weak by litigation (by the Colonial Sugar Refining Company), and also to sections that after a year's trial were proved to need some alteration. Growers were asked to suggest amendments and, as far as was practicable, their desires were embodied in the Bill, which as returned by the Legislative Council clearly proves that every obstacle has been placed in the way of the central and local boards in their endeavour to do justice to the canegrower.

"In the first place, the section to provide for valuations has been omitted. The Government consider the appointment of valutors most essential in order that the several boards could determine the true value of the millers' assets on expert assessment, and not on probably inflated figures supplied by the mill-owners themselves. Again, the Legislative Council, by the amendment of the definition of a canegrower in certain sections, are endeavouring to make the application for a local board and an appeal against an award a most irksome and complicated matter, and are taking away the rights and privileges of a great number of small growers who do not supply 200 tons of cane or cultivate with cane 20 acres. The Council's amendments also curtail the powers of the Central Board; circumstances may arise after an award is made which might justify the Central Board in altering, amending, or varying their award. The Bill provided for conciliation and arbitration, but the Council struck these out, evidently preferring litigation. The very necessary authority to have access to the books and documents of the mill-owners to guide the local boards in making awards was also refused by the Council. The duties of check chemists are curtailed, no power to increase the scope of such duties by regulation being obtainable.

"These instances most clearly prove that the Government have done all in their power to make the cane prices boards efficient in every way, but have been frustrated in their desires by the action of the Legislative Council.

"Yours faithfully,

"WM. LENNON, M.L.A.,  
"Herbert."

HON. A. G. C. HAWTHORN: That was before the vote was taken on the question of the abolition of the Council.

HON. C. F. NIELSON: Yes. As I said this afternoon, I refrain as a rule—and I do not think anyone will contradict me—from imputing motives. Take this letter which was sent to every grower in Queensland. First of all, there was a referendum on the abolition of the Council just about to take place. He tells the farmers individually and collectively that, owing to their having passed certain amendments in the Cane Prices Bill as the result of a recommendation from a Select Committee appointed by the Council, the Council and the Select Committee were acting under some sinister influence. With all due respect to the Secretary for Agriculture, as a Minister of the Crown, I say that was not language which should have been used.

HON. A. G. C. HAWTHORN: Most unfair.

HON. C. F. NIELSON: It was worse than that.

HON. I. PEREL: Most undignified.

HON. C. F. NIELSON: I know the hon. gentleman is always careful of his dignity. (Laughter.) It was worse than unfair; there was an imputation against the Select Committee and the Council. There were only three dissentients against the adoption of the amendments by the Council. The imputation there was that the Select Committee in the first place, and the general body of members of the Council in the second place, with

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the exception of three men, had been subject to a sinister influence, whatever the shape of that influence might have been—that they had not acted as free men, or on their own judgment.

HON. T. C. BEIRNE: We did not have full information.

HON. C. F. NIELSON: The reason for that was that the hon. gentleman's friend, Mr. Dunworth, was invited, but would not come here. This was not a statement which, in my opinion, should have been sent out to the public by a responsible Minister of the Crown. It was not the fault of this Council or of the Select Committee that only such-and-such individuals came along to give evidence. It was not the fault of the members of this Council or the Select Committee that only such-and-such individuals sent telegrams and letters expressing their opinions, and that others did not; all were equally invited to come personally or to send letters and telegrams.

HON. A. G. C. HAWTHORN: Did you ever hear what the response to that letter was?

HON. C. F. NIELSON: Yes, of course, I did. The response to that letter was the statement made by the Secretary for Agriculture that out of all the replies he got he could not possibly say what they wanted.

HON. T. C. BEIRNE: That is easily understood.

HON. C. F. NIELSON: How does the Minister and the Hon. Mr. Beirne come and tell us that practically the whole of the canegrowers of Queensland want this Bill?

HON. F. COURTICE: Experience tells.

HON. C. F. NIELSON: If experience tells that they want this Bill, how is it that they did not tell the Secretary for Agriculture about it? This is a statement he has made in the other place: that he has been up North since and addressed meetings and cannot possibly discover what the consensus of opinion is.

HON. F. COURTICE: That is in connection with the local board and the Central Board.

HON. C. F. NIELSON: That does not matter. I will show the House at a later stage that there are any amount of growers who want something different. The Secretary for Agriculture said in another place, when speaking on this Bill, that complaints came to him from different districts that mill-owners had sent in to the board inflated figures as to value.

HON. F. COURTICE: It was surmised.

HON. C. F. NIELSON: He did not say it was surmised. He said complaints were frequent that millowners had sent in inflated values. The only place I know where values have been referred to is in a judgment of the board published in the "Government Gazette," in connection with Hambleton Mill, on 23rd June, 1916. Values were partly given there, but Mr. Marshall, a member of the board, merely waved his hand round and stated in the courthouse at Cairns—

"I dissent from the award on the ground that the capital value of the mill and plant is assessed at too high a figure."

He did not even go out to the mill. Without  
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even seeing the place he said, "I dissent on the ground that the value placed on the mill is too high."

HON. F. COURTICE: How do you know?

HON. C. F. NIELSON: I made it my business to find out. I do not know whether the Hon. Mr. Courtice was before the court at Bundaberg, but I stated before the court there that I did not want Mr. Marshall to interfere with any of the figures of value that I had given him. I did not want him to wave his hand, as he did up at Cairns, and say that a certain figure was too high, when he had not seen the premises. If complaints had been frequent they must have arisen out of the publication by certain members of the board of the figures sent in; they could not have got them anywhere else.

HON. F. COURTICE: They are surmises on the part of the grower.

HON. C. F. NIELSON: If they are surmises on the part of the grower, then the growers have not got confidence in the board. The board pretends in the Bundaberg district for 1st August, 1917, season to distribute the profits equally between the growers and the millers. Does the Hon. Mr. Courtice want a valuator for all the growers' assets, too.

HON. F. COURTICE: I would not object.

HON. C. F. NIELSON: It is the only way in which you could do it. If the value of the capital assets employed is to be a factor on one side, it must be a factor on the other. Therefore you will have to value every individual farm and all the working plant of every individual farmer, just the same as you do the value of every individual mill.

HON. I. PEREL: I would like to know when the machinery is going to stop.

HON. C. F. NIELSON: I will stop when I am ready, and not a minute earlier. There is only one set of growers in Queensland to-day worth taking any notice of—this has been hammered into us time after time—and they are growers belonging to the United Cane Growers' Association.

HON. F. COURTICE: Who are they?

HON. C. F. NIELSON: I do not know who they are. I do not know whether we have one in our district even. There are about 4,000 growers in Queensland, and, according to the statement of Mr. Turner, who was president of the United Cane Growers' Association last year, they had 695 growers out of 4,000. They are the growers who have advocated this.

HON. F. COURTICE: There are a lot of farmers advocating who are not in that association.

HON. C. F. NIELSON: They are the growers who want the Bill *holus bolus*; there is no doubt about that. They are the force behind the Government. The leaders of the growers are Mr. Powell, the president, and Mr. Dunworth, the secretary. I do not know what Mr. Turner is—he is probably pensioned off. They are the Mackay section only of these growers. When you go further North to the other branches you discover that they are not unanimous. In the Ayr district there is a branch of the United Cane Growers' Association, and what is the result? The Secretary for Agriculture stated in the



"Townsville Bulletin" that the United Cane Growers' Association at Ayr did not want any majority business. But Mr. Dean, who was the secretary of that association, wrote a long letter to the "Townsville Bulletin," pointing out that the Secretary for Agriculture was quite wrong, and that members of his association wanted majority rule, and that he had sent this telegram to the Minister. This was on 10th October last. The telegram is addressed to the Hon. W. Lennon, Secretary for Agriculture, Brisbane—

"Referring your statement reported in 'Townsville Bulletin' that local United Cane Growers' Association advised petition to Upper House not acceptable to them. Advise you local members that association freely signed petition.

"Farmers' Association,  
"10/10/1917."

We have not heard a word about this. This is a section of the United Cane Growers' Association, who are not in unanimity with the leaders at Mackay. I do not know how many members there are in the Ayr branch. I know Mr. Dean, and I have met [8.30 p.m.] some of the members at Ayr; but, at any rate, this is recognised as the Ayr branch of the United Cane Growers' Association, and they want something different from the branch at Mackay, and they feel so strongly about it that they paid the expenses of Mr. Dean to come to Brisbane last month and interview the Minister, telling him that what they want is majority rule and the right to make an agreement, not for one year, but for three years. That is a spot in the Bill that I have always held to be a weak spot—fixing the price for one year only. It does not give that stability to the industry that the industry requires, because it is not a one-year industry. It is not like growing wheat or maize. Yet neither under the principal Act or under this Bill can the Central Board make an award for three years. If a majority of the growers in the Ayr district want a certain thing, why should they not have it? If a majority of the growers in the Hon. Mr. Courtice's part of Queensland want something else, why should they not have what they want? My contention is that you cannot get unanimity in all the districts in Queensland; you cannot get unanimity in connection with all the different mills in the same district; then why should you not let the majority have what they want? Mr. Dean went back and reported to his association on his visit.

HON. F. COURTICE: That is a Colonial Sugar Refining mill.

HON. C. F. NIELSON: There is not a Colonial Sugar Refining mill in the Burdekin district. I thought the hon. gentleman was well informed about the sugar industry in Queensland. Does he not know that Ayr is in the Lower Burdekin district, and that there is not a Colonial Sugar Refining mill in that locality? There is a full report of the meeting of the United Cane Growers' Association at Ayr in the "Delta Advocate" of 12th September. It is pointed out there that they have been negotiating with Mr. Drysdale for a fixed agreement for three years. They have come to terms, but the present law prevents them from getting such an agreement legalised, because under the present Act the board cannot confirm an agreement or make an award for more than

one year, and they desire the Act to be amended so as to allow of extended agreements. But the Secretary for Agriculture does not want to give them an extended agreement; why, I do not know. I do not see what it matters to the Government or to Parliament whether the growers at Ayr want to make a three-years' agreement, or whether the growers in the Bundaberg district only want to make an agreement for one year. I do not see how it affects anybody except the people directly concerned. I do not want to fill up "Hansard" by quoting the report of this meeting, but I will quote what Mr. Crofton said with respect to Mr. Drysdale's offer—

"He had often heard it said the millers were making enormous profits, and now they were being given a chance to share those profits. They were offered a very fair base price, and if they could not make a do of it under that the industry was not worth carrying on. Under the Cane Prices Act they did not know how much they were going to get for their cane, but under this co-operative scheme they knew exactly how much they were going to receive and how much they could spend, which would also benefit the business man."

Then, Mr. Dean, after apologising for not having a written report for the Press, said—

"The duties entrusted to him were: (1) To get further legal opinion on the Kalamita trouble, which was left to his discretion, and to get in touch with the Government to see what was being done to prevent a recurrence of a similar case; (2) to inquire into Nerang Central Mill to see if it could be brought to this district; (3) to inquire into the cost of co-operative dairying and butter factory; and (4) to appear before Central Board re freight debate."

Then, he gave a lucid report of his visit in connection with other matters, and, in particular, to the efforts made by him to secure an amendment in the Act to allow agreements to be made, subject to the approval of the Central Board, for a period of years. Mr. Dean was sent all the way to Brisbane to plead with the Minister to alter this Bill in the direction in which this Council altered it last session.

HON. F. COURTICE: They would not know where they were, because the same conditions might not apply next year.

HON. C. F. NIELSON: It does not matter to the hon. gentleman or to me whether these people knew where they were or not. The point is that if a majority of them want a thing, why should they not have it? It is their business whether they know where they are or not.

HON. F. COURTICE: But the majority might have turned into a minority in twelve months.

HON. C. F. NIELSON: Then, the majority would rule again.

HON. F. COURTICE: But they could not upset the agreement.

HON. C. F. NIELSON: Probably not, but that would not make any difference.

HON. F. COURTICE: What harm is there in trusting the Central Board?

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HON. C. F. NIELSON: I will show the hon. gentleman later on. (Laughter.) We have not got to that item yet. I have here the "Johnstone River Advocate" of Thursday, 27th September. This is a paper published in Innisfail. We know that, with the exception of banana-growing, which is mostly, if not altogether, carried on by Chinamen, the sole industry in that district is cane-growing, and the population consists either of canegrowers or workers in the sugar industry. This paper says—

"We had intended to review the Bill as amended, but believe it would be time lost. No responsible body of men, such as the Legislative Council, can allow such a parody on legislation to become law."

The PRESIDENT: Order! The hon. member is quite out of order in reading an article from a newspaper commenting on a Bill which is before the Council at the present time.

HON. C. F. NIELSON: This paper circulates solely in the Johnstone River district. I do not suppose it gets outside that district, except to this House. It has for its supporters none but canegrowers and workers, because there are only three sugar-mills in the district, and they could not keep a newspaper going. This paper has not one good word to say for this Bill. Its criticism is directed absolutely against the Bill. It points out that it is something which gives the farmers nothing at all, and, generally speaking, it points out that no good—

The PRESIDENT: The hon. member is discussing a newspaper article, and it is distinctly laid down in Speakers Denison and Brand's "Decisions" that—

"It is irregular to quote newspaper articles referring to a debate in the House."

The hon. gentleman is doing that, and I would ask him to desist.

HON. C. F. NIELSON: I am not referring to a debate in this House.

The PRESIDENT: The question is being debated in this House. The question of the cane prices boards is before the Council.

HON. C. F. NIELSON: I understood you to say that I was out of order in referring to a debate in this House.

The PRESIDENT: The newspaper article the hon. gentleman was reading was a criticism of a measure which is before the Council and of debates in the Council, which is distinctly irregular.

HON. C. F. NIELSON: Not only are the farmers in the various districts of different opinions, but by their letters to the Press, by the reports of their meetings, and by the expressions of opinion of the Press which they support, I am led to believe that this Bill is not going to be received with open arms from one end of Queensland to the other; and I am firmly convinced that there is only one section of the growers in Queensland who really want this Bill, and they are Dunworth, Powell, and Company, of Mackay. Cane prices boards are not in operation in every district in Queensland by any means.

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To-day we have in operation in Queensland forty-four or forty-five mills; eleven of those mills have no boards at all, and have not applied for one; fifteen are working under Central Board awards; most of those Central Board awards were due to appeals from the local boards in the first instance, others to the fact that local boards neglected to make awards; eighteen mills are working, either under agreements made by local boards or under agreements confirmed by the Central Board, or awards based on agreements. I have pointed out that, notwithstanding the fact that the price of sugar is higher to-day than it has ever been in the history of the State, notwithstanding the fact that we have a good season, and notwithstanding the fact that the growers generally appear to be doing well, it is found that in the settled districts—Isis, Bundaberg, Childers, Maryborough, and Mount Bauple—there are no farms being bought and sold. What, then, is the cause of the instability and the want of confidence in the industry? Is it due to any mistrust of the Federal Government? I do not think so. Is it due to bad seasons? It cannot be that, because we have the best season we have ever had in the history of the State. Is it due to bad prices? No. I think it is due to the fact that there is too much legislative interference. Let us examine the situation. How many farms have changed hands in the Bundaberg district during the past twelve months? You could count them on your fingers. I do not know of any that have been sold in the Childers district; and the same remark applies to the Mackay district. There are no sales taking place in those districts. But when you get into the Herbert River district, you find a different state of affairs. The Herbert River district is a district where there are only two mills—the Victoria Mill and the Macknade Mill—and both belong to the Colonial Sugar Refining Company. Those mills are working under an award based on an agreement. I do not know how many properties altogether have changed hands since the 1st of January last, but I know that from that date up to a week ago thirty-five farms have changed hands, and that the amount of money consideration for those farms was £142,190 13s. 4d. That is the one spot in Queensland where there is any buying and selling of property. I have told the House before that I do not know anything about the Colonial Sugar Refining Company, but in case there are any members present who think I got my information from them, I just want to explain that I did not. Hon. members can get the same information as I have got if they will read the "Trade Gazette" from the 1st January last up to last week. Those thirty-five properties are mentioned in White's "Trade Gazette," and the amount of purchase money in each case is given. Those properties were bought on terms. I do not know how many properties were financed by banks or by private persons, or how many properties were sold for cash. But those properties which are sold on time payments are registered in the Supreme Court at Townsville, and they appear in "White's Mercantile Gazette," and I merely told my clerk to take out those figures for me yesterday. Those figures show the position in a district where there has been no interference, because both the mills are working under an award

containing a set of conditions mutually agreed upon between the growers and the millers at their local board.

HON. F. COURTICE: There was interference.

HON. C. F. NIELSON: There was no interference; they were unanimous in agreeing to the terms of the agreement, and in order to make it legal the matter was made an award of the board as a matter of form. If the hon. member will ask Mr. R. G. Johnson or Mr. Challands they will explain to him how the agreement was arrived at. It will only cost the hon. gentleman a penny stamp to get the same information as I have got. However, the fact remains that this district, where the company which I know nothing about, but which I have heard so much about here and elsewhere, have two mills, is the most prosperous sugar district in Queensland to-day.

HON. F. COURTICE: What was the award?

HON. C. F. NIELSON: The award for the Victoria and Macknade mills is not an award in the terms of the Central Board award in any sense at all. It is an award made on a different basis altogether, and if the hon. gentleman will look at page 1220 of the "Gazette" for the 14th April, 1917, he will discover the terms of the award for those mills. We hear a lot about the Colonial Sugar Refining Company, but, unfortunately for me, I do not know much about them, except what I read in the Press and hear in this Chamber. Still, we cannot get away from the fact that this particular district in which there are no other mills—central or private—is the most flourishing sugar district in Queensland. The Hon. Mr. Hodel, who knows that district well, will bear me out when I state that to be a fact. While on the subject of the Colonial Sugar Refining Company, it may be as well if we look at that other institution that has been mentioned here so frequently—the A.S.P.A. (the Australian Sugar Producers' Association). I am not a member of that association, and never was a member of it. Mr. Crawford, who is a member of the Federal Senate for Queensland, is the president of that association. He was elected at the last Federal election; he topped the poll for his party in the whole State; and he topped it in every individual electorate in the State except Wide Bay, where he was only fifteen behind; so that Mr. Crawford, the president of the Australian Sugar Producers' Association topped the poll in every sugar electorate in Queensland.

HON. F. COURTICE: That is no criterion.

HON. C. F. NIELSON: It is just as much a criterion as the statement that Mr. Dunworth represents pretty well all the sugarcrowers of Queensland, and we know that his opinions on this question are totally opposed to the opinions of Mr. Adie, of the Isis, who is a member of the committee or executive of the association. I suppose he is a bonâ fide sugarcrower. He was a bonâ fide sugarcrower when I was a little boy, and to my knowledge he has been a sugarcrower ever since. Dr. Reid, I think, supplies cane to Babinda, and is one of the largest canesuppliers to that mill. I suppose, therefore, that he is a sugarcrower. Mr. Howe, of the Johnstone River, is also a sugarcrower, and Mr. Innes, of Plane Creek, Mackay, is also a sugarcrower. These men constitute the

executive of the Australian Sugar Producers' Association. They are all canegrowers in the true sense of the word—men who have a substantial interest in the industry; men who have probably got their all in the industry; and these men are the representatives of a section of growers who are not at all on all-fours with the desires of the United Cane Growers' Association; and I suppose they are a section of the industry who have more at stake than many others.

HON. F. COURTICE: There is a difference of opinion in that section, too.

HON. C. F. NIELSON: That is quite possible. I understand that, in round figures, it is claimed that 2,000 members who are canegrowers belong to the Australian Sugar Producers' Association. I have heard here to-day that some of the members of the association are millers. As there are only forty-six mills in Queensland, if the owners of those mills were all members, that would leave 1,954 canegrowers as against the 695 members of the United Cane Growers' Association. The main alteration which this Council made in the Bill last year provided that where a difference of opinion existed the majority should decide, and that is a principle which I think the House should still insist upon. We cannot get unanimity among the canegrowers, but there is no reason why a minority should rule the majority.

A letter appeared on 11th October, 1917, in the "Townsville Bulletin" signed by Mr. G. Julin. Many of us know Mr. John Mann. He is a canegrower on the Inkerman Estate. Mr. John Mann was for [9 p.m.] some years member for Cairns, and at that time he was a canegrower supplying a mill in the Cairns district. Mr. John Mann is a gentleman who, while he was a member of Parliament, made many friends, and, at any rate, impressed everybody with his honesty of purpose in regard to everything that he undertook. Mr. Julin wrote a letter to the "Townsville Bulletin" also pointing out that the members of the United Cane Growers' Association freely signed a petition showing their desire that provision should be made for agreements. In a letter that Mr. Mann wrote to myself, dated 17th October last, he said—

"Dear Mr. Nielson,—I am replying to explain to you the feeling re the Cane Prices Bill, and cannot do better than enclose Mr. Julin's letter."

Mr. Julin resides at Ayr, and is the local secretary of the Australian Sugar Producers' Association. He also wrote a letter on behalf of his members desiring majority rule, and that agreements should be allowed. So that practically in the Ayr district there is no dispute between the two associations, and it is for this Council to see that no legislation is passed which prevents a majority of the growers in that district from having an opportunity of deciding for themselves what they require. Mr. Mann goes on to say—

"I enclose a cutting from the "Townsville Bulletin" in case you did not see it. So far as I know, no petition was circulated on this side, but I can safely say that every farmer I have spoken to is willing to sacrifice a good deal to get settled conditions, the proof of my assertion being made evident by the fact that

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the Inkerman Farmers and Graziers' Association accepted John Drysdale's scheme, and that body has enlisted in the ranks most of the fight-the-miller element in this district."

There is right throughout Queensland a strong desire that the farmers should be enabled to make agreements for a term of years, and I need not impress upon members of this Council that this is a most sensible desire on their part.

Hon. F. COURTICE: If it could be carried into effect.

Hon. C. F. NIELSON: Of course it could be carried into effect. It was carried into effect twenty years ago when the Isis was first opened up.

Hon. F. COURTICE: That was when we had the kanaka.

Hon. C. F. NIELSON: The kanaka had nothing to do with it. There were no kanakas three years ago and there were agreements three years ago.

Hon. F. COURTICE: The farmers did not know where they were then.

Hon. C. F. NIELSON: They knew what they were, going to get for their product. The reason why there has been trouble such as I referred to on Thursday last—the mills refusing to work—is no doubt largely due to the fact that the principal Act did not lay down any fixed basis upon which the boards should make awards, and, therefore, to a great extent, the trouble which has already occurred is likely to occur again in the future. When the Central Board first set out to make awards in 1916, the first award that was made by them was in respect to the Hambleton Mill at Cairns, and according to the published report of the board's decision in that case they set out on a basis of allowing 8 per cent interest to the mills in an average season, plus 4 per cent. for depreciation, as being a fair rate of profit to the millowner. They discovered the average season by getting the figures for the previous eight years' crushing, and dividing them by eight. The board expressed the opinion that the rate of interest should fluctuate up or down as the seasons went up or down as compared with the average. That was in January of last year. This year, however, the board struck a new idea and they made the excuse for altering their basis, that the Full Court had decided that the cost of production of sugar-cane should be taken into consideration. The board, therefore, decided that the basis upon which they would now make awards would be to distribute the profits of the industry equally between the grower and the miller. How they were to arrive at that decision I do not know, and I venture to say neither do they, because we discovered that in a district like Mackay, quite irrespective of whether the mill was a large mill or a small mill, or whether they had a large capital or a small capital, or whether they were going to crush this tonnage or that tonnage of cane, they made the awards similar for all mills. That showed an absolute and complete abandonment of their own basis. I venture to say that the real reason why they altered the basis was that they could not discover the cost of production. I have already pointed

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out that all the growers of Queensland are required by law to send in returns of their cost of production, and not 5 per cent. have done so. Therefore the board cannot discover what the cost of production is, and in various cases Judge O'Sullivan has pointed out that it is impossible and quite futile for the board to try and discover the cost of production of cane, because all the evidence they have received up to date has been unsatisfactory and incomplete, and time and again in the "Gazette" they have drawn attention to the fact that growers have refused to send in the returns asked for; that, although the secretary of the board sends to each grower a set form asking the growers to fill it in, they can only get a 5 per cent. return. I believe, with Judge O'Sullivan, that it is perfectly impossible to discover any way of approximately estimating the cost of producing cane, and it is quite futile to impose upon the Central Board the duty of trying to discover that. They will not succeed, and if they cannot succeed in discovering that factor they cannot possibly be capable of making a satisfactory or equitable award, and it is therefore probably a duty cast upon us to see if we cannot devise a basis upon which awards should be made. There is no basis in the principal Act and there is no basis in this Bill. The Hon. Mr. Courtice asked by way of interjection, about half an hour or so ago, whether the board had done an injustice, and I said I would at a later stage show where the board had made awards that were absolutely unjustified. When the board makes an award at the commencement of the season the award is naturally based on estimates. That is to say, a mill may have completed its overhaul and maybe has told the board how much it has spent on maintenance, if it is complete, and the estimated tonnage of cane to be treated; and probably other factors come in later, such as lost time in the mill, increased cost of fuel and other mills' supplies, and the tonnage may be less than that which was estimated. Therefore it is not quite possible for the board on a mere estimate to make an exactly equitable award. But we find for the 1916 season that the boards were late in making their award. They came along at the end of the year, and for the Bundaberg district the awards were not made until just about Christmas of last year, and they were not gazetted until January this year, after the mills had ceased crushing. One mill which had ceased crushing in November had sent to the board its total results, notwithstanding which the board made an award for that mill and involved that mill in a loss of £7,000. That is the Qunaba Mill. The award I spoke of in connection with the Bauple Mill was also not made until the season was over. The mill had closed down, and the Central Board came along and made an award, with the consequence that it involved that mill in a loss of 2s. 7d. for every ton of cane which went through the rollers.

Hon. A. G. C. HAWTHORN: That can be remedied in future.

Hon. C. F. NIELSON: It could not be remedied because they made the award after the season was finished.

Hon. A. G. C. HAWTHORN: Yes, the payments could be made 75 per cent. in advance, and the balance at the end of the season. Could not something be kept in hand?

HON. C. F. NIELSON: Yes, you could keep something in hand. We had an application to the Central Board on Thursday last from the secretary of a Mackay mill, which was under the award. The application was to have the advanced payments reduced or that no more should be paid at the end of the season except the advance price for cane. This mill has spent £2,300 odd for the storage of sugar during the season, and it has more stores under construction, and other mills in Mackay are in the same position. No one knows what the cost of storage is to be. There is the cost of insurance, the cost of handling it in and out of the store, and the loss on sugar while it is stored.

There is an objectionable feature which I want to refer to—it has been referred to by members in another place—and that is the fact that members of the board should at the same time be public servants. I do not think that persons who are placed in a judicial or quasi-judicial position should at the same time be servants of the Government on the public service list. Whatever qualifications members of the board possess, they should be absolutely free from ministerial control or influence. We have one member on the board, Mr. Henry, who is a servant of the Agricultural Department, and I think that that is a wrong position to put that gentleman in. While he is a servant of the department he is at the same time asked to sit judicially with other members of the board and endeavour, as far as his judicial mind will allow him, to make an equitable award. But Mr. Henry is being used by the department and the Minister. He is sent here and there all over the place; he is sent out to make inquiries; he was sent to Bauple Mill recently to make inquiry into some complaints which the check chemist had made against the manager of the mill, and the manager of the mill had made against the check chemist. The growers took sides, and some of them sided with the check chemist. Mr. Henry went up to Bauple and stayed with the growers' representative on the local board, and, generally speaking, there was chaos. This is a Government mill, and there is the department which administers it on the one hand and the Agricultural Department on the other, and the central mill manager is in between, and, generally speaking, you do not know where you are. Quite recently Mr. Henry was sent up to Bundaberg to inquire into alleged complaints about a certain mill which was supposed to be crushing more of its own cane than the cane of the growers. He went up and held ex parte meetings with growers at the Grand Hotel, and inquired into one set of growers' grievances there, and then another set of growers' grievances somewhere near the Isis. Generally speaking, his position is that of a walking delegate for political purposes on behalf of the department and the Minister of the department. He does this in between his judicial duties as member of the board, which is supposed to sit and try to do the fair thing, from a judicial point of view, between the miller and the grower. That is not a position in which any Government servant should be put.

AN HONOURABLE MEMBER: Is he a chemist?

HON. C. F. NIELSON: No; he is supposed to investigate the accounts of mills in connection with the Central Board. Mr. Henry was appointed in succession to Mr. A. Smith,

of the Audit Department, and he is still a public servant on the list of servants in the Agricultural Department. However much he may be inclined to do his duty, he cannot help being unconsciously influenced by the fact that the Minister is desirous of pleasing certain people in a certain direction, and he is therefore likely to come into conflict with his strict duties. This matter was referred to by Mr. Macartney in another place, and I think rightly so, too. I do not think it is a fair thing to put a man in that position.

HON. A. COURTICE: He will have no vote under the amending Bill.

HON. C. F. NIELSON: He should not be there in two capacities. He should not be there in the capacity of having to try to do a fair thing between two conflicting parties; and, on the other hand, to have to try and steer his course in such a way as will please his ministerial head, to whom he looks for promotion in the future. The desire of the Secretary for Agriculture—at any rate, it may be the desire of the Government—is to try and please the growers in such a way as to obtain from them some political support, and in this the Central Board had been a real political agent. Mr. Henry has become the walking delegate of that political machine. That is the net result. No doubt there will be an awakening one of these days; something will break, and there will be a rude shock.

HON. B. FAHEY: How long has the Central Board been in existence?

HON. C. F. NIELSON: It has been in existence for two years. They have made two awards. They made an award, which first came into existence last year, for the season of 1915-16. It was then past, and they confirmed the price paid for cane by every mill for 1915, although they had the power to make an award. Then they set about and have just completed an award for the 1917 season. They showed, at any rate, that, so far as the 1915 season was concerned, they were satisfied that the prices that had been paid by the mills without any award were fair and reasonable, and they confirmed them nearly all.

The next subject that might well claim the attention of the House is as to whether the central mills should be subjected to this board at all. Central mills are established by public money, and are charged with the repayment of a fixed sum per annum to the Treasury from which they got their advance. Hitherto central mills were governed by directors, and as the Hon. Mr. Courtice said they did not always pay their debts to the Treasury. The Hon. Mr. Beirne, the other night, said that prior to the advent of the boards there had been no price fixed for cane; but that was entirely wrong, because the directors of central mills fixed the price to be paid for cane. The directors who went up for election and promised to pay the highest price got the most votes, with the result that they paid for cane and forgot to pay the Government.

HON. T. C. BEIRNE: The central mills lost the money before the Central Board, to fix prices, was appointed at all?

HON. C. F. NIELSON: Instead of meeting their obligations to the Treasury they paid too high a price for cane themselves. The

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exceptions were the Mulgrave, the Mossman, the Isis, Nambour, and the Marian Central Mills. The Mossman, Mulgrave, and Childers mills still exist as central mills. The Moreton Central Mill paid all its liabilities to the Government when they got into low water, and the Government, under Dr. Maxwell's régime, wanted to take charge of the mill, but the leading growers of the mill came to the rescue, guaranteed the mill account at the private bank, paid the Government off, and ran the mill themselves. The Marian Mill did the same; they paid off their indebtedness to the Government eleven years before it was due, and were practically secure.

An HONOURABLE MEMBER: It is a great pity that some of them did not pay the Government off.

HON. C. F. NIELSON: Yes, I quite agree with that. It is questionable whether it is to the interests of the State that central mills should be under the control of the board at all, because in the past, if they paid out more for cane than they could honestly afford, and did not meet their obligations to the Government, the Government had at any rate justification for bringing them up to the mark. Now the Central Board fixes the price, which is greater than the mills can legitimately pay, and the result is that they do not meet their interest and redemption to the Government. They have the excuse that they are compelled by law to pay this high price, and therefore do not need to pay their indebtedness to the Treasury; that their directors would be placed in gaol if they did not pay the price under the award. Therefore, it is well worth considering whether central mills should not be excluded altogether from the operations of the Act and

allowed to go on and complete [9.30 p.m.] payment of their liabilities to the Government. The real object of the Bill, so far as I can see, is to draw attention away from the Dickson award, which is not forgotten in many places yet, and to draw attention away from the fact that the Government neglected the greatest opportunity in their lives to get a price of £21 per ton for sugar fixed for three years. In connection with that I believe there are canegrowers who still believe that the Federal Government will pay them something beyond the £21 per ton at the end of this year. I do not often prophesy, and I do not altogether prophesy now, but I say that, when the accounts are made up of this season's operations, it will be found that the Federal Government have been a little extra liberal in paying £21 per ton, and that they will be somewhat short. At any rate, growers need not entertain any hope of getting the extra £1 7s. per ton that was spoken of in the early part of this year, because there will be neither £1 7s., nor 7s., to materialise over and above the £21.

HON. E. W. H. FOWLES: Didn't the Federal Government make that up last season?

HON. C. F. NIELSON: On the previous season's crop the Federal Government made a book profit of some £1 7s. per ton of raw sugar over and above £21, but they will not make any such profit this year, because the charges have increased since last year. Freight has gone up, the interest on capital

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represented in stocks of sugar is higher, and even insurance on sugar is much greater. It costs a great deal more to insure sugar worth £21 per ton than it does to insure a stock that is worth only £18 per ton. There need, therefore, be no expectation of the Federal Government realising anything like £22 7s. per ton this year. The Secretary for Mines mentioned one thing that I thoroughly agree with, and that is that it would be a good thing if the Federal Government took over the whole control of the sugar industry.

HON. A. G. C. HAWTHORN: They did it once.

HON. C. F. NIELSON: I am not a new convert to that belief at all. I have always believed it. I publicly opposed the abolition of the bounty and excise, and I believe now that that system was far better than anything we have had since.

HON. A. G. C. HAWTHORN: It was not satisfactory.

HON. C. F. NIELSON: It was not satisfactory to some people, but, in the interests of the industry I believe it was the best system that ever obtained. I believe it is the best system in the interests of the future preservation of the industry, because it gave the whole of the people of Australia an interest in the industry, which was the best assurance we could have of the continued existence of the industry. However, it is no use debating things that are past and gone, though I say without hesitation that I regret the day that the bounty and excise were abolished. I agree with the Secretary for Mines that it would be a good thing in the interests of the stability and continuance of the industry if the whole industry were in the hands of the Federal Government. What creates the value of the industry today? Nothing but the fact that the Federal Government came in and fixed the price of raw sugar at £21 a ton. The keynote to the existence of the industry is the £ s. d. side, and that side is absolutely in the hands of the Federal Government. The Federal Government, whichever party may be in power, can make or mar the industry by altering the tariff. Of course, at present no tariff is needed, because we could not possibly import any sugar, as there are no ships to carry it.

HON. A. G. C. HAWTHORN: This year we will produce more sugar than we can consume in Australia.

HON. C. F. NIELSON: It may be a very wise policy on the part of the Federal Government to consider how long they can store white sugar. It is not possible to export sugar to England at the present time, because we have no ships to carry it. The best thing that could happen to the industry would be to hand it over to the Federal Government.

HON. E. W. H. FOWLES: Who would make the awards?

HON. C. F. NIELSON: It would not matter who made the awards—whether they were made by the central board or by some other tribunal. That is only a matter of detail. I would remind the Minister that, when the Commonwealth Powers (War) Bill was before us on the first occasion, this House offered to hand over the whole industry to the Commonwealth, but the State

Government would have none of it. They did not wish it to be handed over. I think it would be a good thing if the Commonwealth were responsible for the maintenance of the industry, and then we would not have all this bickering that we see in the newspapers between the Federal Prime Minister and the State Premier, and these disputes about what somebody said and what somebody did not say. All these things do no good to the industry.

HON. A. G. C. HAWTHORN: That might be a good thing to advocate in Committee.

HON. C. F. NIELSON: We might consider it in Committee. The Auditor-General, in his report on central sugar mills, says some very telling things. He points out—

“From time to time since the Government entered into possession of certain mills, losses have occurred, so that the Treasury has been unable to draw the annual instalment, and has been compelled to increase the trust fund overdraft.

“The arrears due to the Government not bearing interest amount to £87,212 15s. 6d.”

Those are moneys which should have been repaid by certain central mills periodically, but they have not been repaid, and they stand in the books and carry no interest. Some of them extend seven years back, and the amount is considerably increasing. He further says—

“With respect to those mills in the possession of the Treasurer, any additional benefit the growers may secure can only be at the further expense of the general taxpayer.”

He further says—

“Being dissatisfied with the award of the central board for 1915 season, the suppliers of Proserpine appealed to the Treasurer, and were granted a further 2s. per ton, as it was a successful year. The season under review at Proserpine resulted in a loss, which served to increase the overdraft in trust funds.”

He also says—

“Nerang, Gin Gin, and Mount Bauple mills, with insufficient cane supplies, and too-frequent losses, are, as going concerns, worth little, but, from the Treasury viewpoint, the money has been invested—unwisely, perhaps—and the factories and tramlines could not now be replaced at anything approaching the original cost . . .

“It will be observed on reference to appendix B that four mills made small profits, whilst at the remaining seven substantial losses accrued.”

The profits at the four mills amounted to £8,000, and the losses to £9,656. These mills treated 545,569 tons of cane, and made an aggregate loss of £69,656, or a loss of 2s. 3d. per ton of cane. In effect, they overpaid their suppliers to the extent of 2s. 6d. per ton of cane, instead of meeting their obligations to the Government. He says, with reference to the Babinda Central Mill—

“The price awarded by the Central Cane Prices Board for cane of the quality above specified was 3s. 10d. per ton less

than the price of 25s. per ton ordered to be paid by the board on delivery, and the result was an overpayment of approximately £29,000.”

On reading his report on the various mills one cannot come to any other conclusion but that the mills are going from bad to worse.

HON. A. G. C. HAWTHORN: Does it not show that the Government are not to be trusted to take over and work those other mills?

HON. C. F. NIELSON: Which other mills?

HON. A. G. C. HAWTHORN: The mills they propose to take over under the Bill.

HON. C. F. NIELSON: That is a different matter altogether. I am sure that, if the Government wish to resume any one of the fourteen mills that I represent, there will be no objection on the part of the proprietors to letting the Government take them over at a fair valuation.

HON. A. G. C. HAWTHORN: “On just terms?” (Laughter.)

HON. C. F. NIELSON: I am sure the proprietors of any one of those fourteen mills will be only too happy to sell it to the Government, as the Hon. Mr. Hawthorn says, “on just terms.”

THE SECRETARY FOR MINES: After the land is worked out.

HON. C. F. NIELSON: The land is not worked out. I know of land which is carrying a better crop to-day than it has carried for the last twenty years. There are fourteen private mills whose financial affairs are within my knowledge. They represent a total capital of £1,531,000. The total profits for five of those mills was £12,000, and the total loss from nine mills was £38,950, so that, taking the mills as a whole there was a net loss of £26,950. I venture to say that those losses were due solely to the inordinate award made by the board. Last year the price of sugar was £18 per ton; this year it is £21 per ton. When the Federal Government offered the extra price for sugar, they said they did it so as to give reasonable wages to wage-earners, a reasonable price to cane-growers, and a reasonable profit to the millers. If you compare the rates fixed by the central board for this year with those of last year, you will find that there is a considerable difference. Here are some figures which show how the increased price of sugar was divided by the board. At one mill the cane price for 1917 was greater by 5s. 11d. than the price in 1916, and the rise in price of sugar represented 6s. 8d. per ton of cane. At the second mill the price of cane for 1917 was 3s. 3d. greater, and the rise in the price of sugar represented 6s. 5d. per ton. At another mill the price in 1917 was 6s. 8d. greater, and the rise in the price of sugar 6s. 8d. per ton. At another mill the price in 1917 was 6s. 3d. greater, and the rise in price of sugar 6s. 5d. per ton. At another mill the price in 1917 was 3s. 3d. greater, and the rise in the price of sugar 6s. 5d. per ton of cane. At another mill the price in 1917 was 4s. 1d. greater, and the rise in the price of sugar represented 4s. 10d. per ton of cane. At another mill the price of cane in 1917 was 8s. 8d. greater, and the rise in the price of sugar 6s. 8d. per ton of cane.

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At another mill the price for cane in 1917 was 6s. 6d. greater, and the rise in the price of sugar 5s. 3d. per ton of cane. At another mill the price in 1917 was 4s. 6d. greater than in 1916, and the rise in the price of sugar 6s. 5d. per ton of cane. At another mill the price for cane in 1917 was 5s. 6d. greater, and the rise in the price of sugar represented 6s. 5d. per ton of cane. At another mill the price for cane in 1917 was 5s. 6d. greater, and the rise in the price of sugar represented 6s. 5d. per ton of cane. At another mill the price of cane in 1917 was 6s. greater, and the rise in the price of sugar 7s. 10d. per ton of cane. At another mill the price of cane in 1917 was 5s. 6d. greater, and the rise in the price of sugar 6s. 5d. per ton of cane. At another mill the price of cane in 1917 was 7s. 7d. greater, and the rise in the price of sugar 6s. 5d. per ton of cane. The 7s. 7d. in this case is the difference between the price mutually agreed to in 1916 and the 1917 award. The mill made only £200 in 1916. A summary of these figures show: Increased value per ton of cane due to rise in sugar 6s. 4½d.; increased prices for cane awarded, 5s. 9½d.; benefit to mills per ton of cane, 7d. On an average, these fourteen mills received only a benefit of 7d. per ton of cane, or between 5s. and 5s. 6d., out of the £3 rise in raw sugar. All those mills, as well as the central mills, made a direct loss last year. How, then, can they be expected to do anything better this year? The Gin Gin Mill, which closed down a fortnight ago, made a loss of £6,000 this year. You cannot expect the industry to continue without mills any more than you can expect the industry to continue without the cane-growers, and no measure of this sort is likely to effect anything like an equitable distribution between the growers and the millers. At the present time the millers are not getting that amount of money which will encourage them to remain in the industry, unless, as the result of its provision, the millers go on increasing the area of land cultivated by themselves. That effect, I am sorry to say, is taking place in some instances. In one case where leases have expired they have not been renewed, and in another case that I know of in which twenty-seven leases will expire on the 31st December, they will not be renewed. Does Parliament think that tenant farmers should be hunted off the land by legislation such as we have before this Chamber? The position of the Government mills, as I pointed out this afternoon, is not improving, and this legislation is not going to improve it. It is a question of how long the taxpayers who are not interested in sugar—taxpayers on the Downs, in the West, and on the mining fields—are going to allow this Government or any succeeding Government to practically subsidise cane-growing by allowing the central mills to get into arrears and not meet their obligations to the Treasurer. The taxpayers will not stand that. The Hon. Mr. Beirne informed us that the object of this legislation was to do a fair thing between the growers and the millers. I have no doubt that the intentions of its framers are laudable enough—that such is the desire of the Government—but, as I have endeavoured to show, the Act falls far short of that, and I can see nothing in this Bill which will improve the position, or assist to achieve the laudable object they desire to attain. Therefore, it behoves the Hon. Mr. Beirne and those who agree that it is desirable to pass something which will result in a fair deal to all parties, to improve the Bill in such a way as will

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make it accomplish that result. And a basis is the first thing wanted. The Hon. Mr. Beirne says he has no faith in price-fixing. I discovered that two years ago, when the Gas Bill was before this House. The hon. gentleman could not find adjectives of opprobrium strong enough on that occasion to express his disgust with that measure.

Hon. T. C. BEIRNE: I was in favour of it all the time.

Hon. C. F. NIELSON: The hon. gentleman stated that it was a preposterous proposal. But that Bill had a basis laid down. The hon. gentleman said it was not as good as the basis in the Sydney Gas Bill, which had a higher percentage. He told us that the gas companies were really public benefactors compared with the Metropolitan Water and Sewerage Board, and probably he was right. But he condemned price-fixing generally. Yet he is here now as the champion of price-fixing for somebody else. He says that the objection to the existing Act was that prices were fixed before the results of the season's crop were known. I have shown that where the board knew the results of the season's crop they fixed prices which were not fair, and made awards which entailed a loss to the millers. The hon. gentleman further told us that, since last year he has had time to consider the Bill. With all due respect to the hon. gentleman, and not wishing to offend him, I say I am afraid he has allowed others to consider the Bill for him. His speech consisted mostly of a long letter from Mr. Dunworth. I am pleased that he does not know Mr. Dunworth and I want to tell him a little bit about that gentleman's nature and character. Last year, when the Dickson award was on, Mr. Dunworth and other farmers formed what they called a protective society at Mackay, and practically proclaimed a lock-out against the Dickson award at Mackay. They said that any man who employed a workman at the Dickson award rates must first of all get a permit from the society, and that if he did not the society would deal with him. A farmer wrote to Mr. Dunworth, or his association, for a permit to employ a man to do some work that he wished to have done forthwith, and this is the reply he received—

[Copy.]

"PIONEER RIVER FARMERS AND GRAZERS ASSOCIATION, LIMITED.

"Sydney street,

"Mackay, 23th September, 1916.

"DEAR SIR,—I have been instructed to advise that an application was made to the advisory committee on your behalf, with a view to granting you a permit, for the purpose of employing a general farm hand during the present sugar crisis.

"After consideration it was unanimously decided to refuse such application, on the grounds that you were not a member of the Farmers' Association.

"All growers are now expected to become financial members at once, and so far all are members, or have agreed to join, by signing orders, with the exception of a few isolated growers in each district.

"We, therefore, appeal to you to make one of us at an early date, when, no doubt, your application will be favourably considered. I am to point out, however,



that a record of names are being kept of those growers who have definitely refused to join, or who have employed labour without a permit. If, after moral persuasion, we find that these men will not fall into line with the main body of growers in this district, their names will be placed on the "black list," which is now being prepared. A copy of this list is to be sent to all branches, and the names will be read out at our next mass meeting.

"Members are warned against assisting any non-member, if he has the misfortune to be burnt out, or meets with any other accident.

"They are also warned against co-operating or associating in any way with non-members, and are pledged to assist all financial members.

"Hoping to have the pleasure of placing your name on the roll at an early date, and awaiting your favourable reply,

"In anticipation,

"Yours faithfully,

"(Sgd.) P. T. DUNWORTH,

"General Secretary."

I am not going to ask the Hon. Mr. Beirne whether he is proud of his new-found friend, but I am going to extend to him my sympathy. The facts are, that at this time, in the Mackay district, they re-

[10 p.m.] ceived subscriptions from anybody and everybody whether they were canegrowers or not, or members of their association or not. They put their names on the roll and swelled their numbers up, and then Mr. Dunworth told us that they had 900 members. A couple of months afterwards they held a general meeting and Mr. Turner, who was present, stated that he regretted they did not have 900 members. They had the names, but they were not financial members as they had not paid up. Another gentleman who has been filling up the Hon. Mr. Beirne with information is a gentleman named Powell. Mr. Powell, in 1911, had a farm, "given to him" I think he termed it, at £7 an acre, and this year he refused £5,000 for it. That is a 90-acre farm. Mr. Powell knows perfectly well that most of the mills that I have spoken about in the Mackay district made losses. He knows perfectly well, too, that some of them are not able to pay the awards because he has offered, as president of the association, to have the awards reduced in order to meet the extra cost of storage. He has offered them as much as 3d. per ton, and I know that he is perfectly well aware that there is no margin to come and go on. If the Hon. Mr. Beirne or any other hon. gentleman wants information he need only analyse carefully the Auditor-General's report. You need not go to any private mills at all. You can take that as a fair criterion as to the financial results of the other mills, because, as a matter of fact, the average prices paid in the past by the private mills compare more than favourably with the prices paid by the central mills, and if the central mills, having their money at 4½ per cent. with a 3 per cent. redemption, cannot make a "do" of it, how can the private mills, who are paying from 6 per cent. to 7 per cent. on overdrafts, the same as they are doing now, make any great money out of it? In districts where the private mills have lands belonging to the

mills, the trend, unfortunately, will be to go in for cultivation on a large scale; a resumption of that very state of things which those who, twenty years ago—myself being one—hoped would be wiped away with the abolition of kanaka labour. Nobody objected to the kanaka because he was black, but it was anticipated right throughout that the large estates which were being worked with cheap labour would be cut up and settled on by a white European race. That set of conditions did come for a while. The estates were cut up, but now we find they are being cultivated on a larger scale than before. That is not a state of conditions that is desirable in Queensland. It is not a good thing to see huge estates of 3,000 or 4,000 acres cultivated by one proprietor. But they are commencing to do that in self-defence. I have already given instances where leases that fell due have not been resumed, and in one instance that I know of, twenty-seven leases will fall due on the 31st December of this year, and not one will be renewed. In that sense this legislation is doing no good. I have seen no good results coming out of this legislation during the last two years.

HON. B. FAHEY: What is the size of those estates the leases of which are falling due?

HON. C. F. NIELSON: They vary from 60 acres to 70 acres each.

HON. F. COURTICE: It is largely due to the canegrowers agitating for better conditions.

HON. C. F. NIELSON: There is no reason why the grower should not get the best conditions possible, but we must not overlook the fact that the millowner must also get good conditions. I would far rather put my money into a block of land than into a mill, because if the sugar industry were to cease to-morrow you would have to sell the mill, either as scrap iron or to be shifted to another district, but you could still make your living off the land by growing something else.

The SECRETARY FOR MINES: The sugar industry will not collapse.

HON. C. F. NIELSON: I hope not.

HONOURABLE MEMBERS: Hear, hear!

HON. F. COURTICE: I beg to move the adjournment of the debate.

Question put and passed.

The resumption of the debate was made an Order of the Day for to-morrow.

#### ADJOURNMENT.

The SECRETARY FOR MINES: I beg to move—That this Council do now adjourn.

The business to-morrow, after private members' business is disposed of, will be the third reading of the Treasury Bills Bill, to be followed by the consideration in Committee of the Assembly's messages on the Farm Produce Agents Bill and the State Produce Agency Bill, and the resumption of the debate on the second reading of the Regulation of Sugar Cane Prices Act Amendment Bill. I do not anticipate that private members' business will take very long.

Question put and passed.

The Council adjourned at fourteen minutes past 10 o'clock.

Hon. A. J. Jones.]