Queensland

Parliamentary Debates
[Hansard]

Legislative Council

WEDNESDAY, 28 NOVEMBER 1917

LEGISLATIVE COUNCIL.

WEDNESDAY, 23 NOVEMBER, 1917.

The PRESIDENT (Hon. W. Hamilton) took the chair at half-past 2 o'clock.

QUESTION.

SPECIAL SESSION TO EXTEND DURATION OF PARLIAMENT—REFERENDUM ON SIX O'CLOCK CLOSING.

HON. E. W. H. FOWLES asked the Secretary for Mines—

"1. Is it the present intention of the Government to hold a session early in the new year in order to introduce a Bill extending the life of the present Parliament until six months after the conclusion of the present war?

"2. If a general election is held in 1918, will the Government give the people of Queensland on election day the desired opportunity of taking a referendum on the six o'clock closing of all liquor bars throughout the State?"

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

"1. No.

"2. The intentions of the Government will be disclosed in due course."

GOVERNMENT EXPENDITURE ON INDUSTRIAL ENTERPRISES.

SEVENTH 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 22nd November, and moved that the paper be printed.

Question put and passed.

REGULATION OF SUGAR CANE PRICES ACT AMENDMENT BILL.

RESUMPTION OF COMMITTEE.

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

Question stated—

Postponed clause 2—"*Amendment of section 3*"—

Proposed amendment—To insert after line 22—

"The following words are added to the definition of 'Owner of a mill' in the said section—'Provided that this Act shall not be deemed to apply to the central mills known as Mulgrave Central Mill, Mossman Central Mill, Isis Central Mill, and Plane Creek Central Mill'"—*Mr. Neilson's amendment.*

HON. T. C. BEIRNE: The amendment was a selfish one. It proposed to exclude the Mulgrave, Mossman, Plane Creek, and Isis mills from the operations of the Act, and, if carried, would certainly be the means of killing the Bill.

Hon. C. F. NIELSON: Why?

HON. T. C. BEIRNE: What was the object to be gained? The only object to be gained by excluding those mills from the operations of the Act was the saving of 2d. per ton on cane. That was the only object. That was a selfish benefit to the central mills growers, and it would be most unjust to all the other mill growers, who, under the Act, had to pay the levy of 2d. per ton. It would be most unjust and for the following reasons:—The success of the industry as far as Queensland was concerned depended mainly on two factors, viz., the efficiency of the mills and the sugar contents of the cane. Now that the Cane Prices Act was administered by the Central Board, it provided that efficiency in the mill must be kept up, and that improvement in sugar contents of cane would in the course of a year or two be brought about.

Hon. C. F. NIELSON: Where is that provided in the Act?

HON. T. C. BEIRNE: They knew that it provided for the efficiency of the mill, and an improvement in sugar content would follow if cane was bought on analysis.

Hon. C. F. NIELSON: It is not compulsory to buy it on analysis.

HON. T. C. BEIRNE: In many cases it was not compulsory, but it was one of the effects of the Act.

Hon. C. F. NIELSON: No, it is not. In some cases the cane is bought by weight.

HON. T. C. BEIRNE: The efficiency of the mills had been fixed at 90 per cent. net titre, and a mill doing better than that—and there were many doing so—would receive the benefit. Payment by analysis, which the Central Board were endeavouring to bring about, must in a few years lead to growers picking the best canes and to a higher cultivation of the soil. So that it was quite reasonable to assume that in course of time the mills might make a ton of 94 n.t. sugar from 7 tons of cane or less. It was unnecessary for him to tell hon. members what that would mean to the sugar industry. All the mills, whether under the Act or not, would reap the benefit of the present legislation. If any of them were withdrawn from the operations of the Act, they would still benefit indirectly, as they would be obliged to do as good work and pay as much for cane as other mills in the same district, or go to the wall. After having given so much time and thought to the Bill, he could not conceive it possible that hon. members would consent to the proposed amendment and thus shut out certain mills from an Act which must be of the greatest advantage to the whole of the industry. If the amendment were accepted by the Government—he did not think for one moment that it would be—they would be allowing a certain section of the growers to benefit without paying any share of the cost of the administration of the Act. He hoped that the good sense of the Council would prevent them from accepting the amendment.

HON. P. J. LEAHY: He would like to have a little more information than he had on the matter. He took the view, so far as his present lights went, that if the four mills mentioned in the amendment and the growers supplying them were getting no advantage, and were not likely to get any advantage, from the Bill, it was questionable whether a levy of 2d. per ton of cane was fair to them. On the other hand, if they were getting some advantage, or not likely to get some advantage, it might be unjust to exempt them. He would like some information on that point before he made up his mind how he should vote, if it went to a division.

HON. F. COURTICE: The only advantage that the growers supplying the mills that it

was proposed to exempt would derive from the amendment was that they would not be called upon to pay the levy of 2d. per ton on their cane. He believed that that legislation was going to lead to greater efficiency all round. The grower would be obliged to grow varieties of cane that would give him the highest possible sugar content; and the miller would have to make his mill as efficient as possible, otherwise he would not be able to compete with other mills which were able, owing to their greater efficiency, to pay a higher price for the cane. Another point in connection with the amendment was that the growers were not unanimous with respect to not coming under the Act. There was a certain section supplying the Isis Central Mill, for instance, who desired to come under the Act, and they had been told of one grower at Plane Creek who had brought an action against the mill for a breach of the award. It took a number of growers to get an award, and if the position was as stated by the Hon. Mr. Nielson, that a large majority were in favour of being exempted from the Act, they would be able to select their representatives, who would consult the directors of the mill, and make an award suited to their requirements.

HON. A. DUNN: He was sorry he could not agree with the amendment, because, if some central mills were exempted, then all other millers should be exempted for all the cane they grew themselves.

Hon. C. F. NIELSON: Why shouldn't they be?

HON. A. DUNN: They were not trying to amend the Act in that direction. Some of the central mills bought cane from outside suppliers, so that they were on exactly the same footing as Bingera and Fairymead, both of which mills grew the greater part of the cane they crushed. Yet they were called upon to pay the royalty of 2d. per ton on the cane they grew for their own mills, and it would be unfair to differentiate between them and the four mills mentioned in the amendment. If the central mills grew all their cane, and did not take any from outsiders, it would be a different matter; but, if the amendment was to apply to the four mills specified, then it should apply to all mills that did not purchase cane from outsiders.

The SECRETARY FOR MINES reminded the Committee that last week they discussed this amendment for an hour and a-half, and he thought hon. members had their minds pretty well made up, and no fresh evidence had been brought forward to induce the Government to change their opinion regarding the amendment. The Hon. Mr. Beirne and the Hon. Mr. Courtice had stated the case very clearly, and the Hon. Mr. Beirne had given a very good reason why the amendment should not be carried. He would remind hon. members of their promise of the previous night that the Bill would be finished in half an hour. (Hear, hear!)

HON. A. GIBSON: If they exempted those four mills from the tax, that would be against him. He had to pay 2d. per ton on all the cane that passed through his mill, including the cane that he grew himself. This year the levy would amount to some hundreds of pounds on account of cane supplied by farmers.

The SECRETARY FOR MINES: Do you want to be free from the tax?

HON. A. GIBSON: No, he did not. The gain that those growers would get was not the 2d., but the fact that they might be able to get an extension of two or three years without having to go to the cane prices boards. They did not want to be tied down to the boards at all. His company, Gibson and Howes, refused to pay that 2d. in respect of their own cane, but the Full Court of Queensland had said that they must pay, and if that were so he did not see why the other three or four should get out of it. They bought cane and passed it through the mills, and all the salaries of the boards and other expenses, even the holiday which was given to some of the growers to go to Melbourne, came out of the tax. He had seen nothing at all that would justify him in subscribing to the idea expressed by the Hon. Mr. Beirne—that those men should be free from the tax.

Hon. T. C. BEIRNE: Because they would be outside the Act, and your mill is not outside the Act.

HON. A. GIBSON: They would not require to be outside the Act. Whilst he was under the Act in respect of the farmers' cane, he said that he was not under the Act in respect of his own cane, but if he were to be made to pay, he did not see why the others should not pay.

The SECRETARY FOR MINES: He thought the hon. member was under a misapprehension. He would like to draw his attention to section 20 of the principal Act, which read—

> "Such assessment shall be paid by the owner of the mill."

The amendment meant that they would alter the definition so as to exclude the four mills in such a way that no assessment would be paid by them. If the hon. member wanted them to accept the amendment and encourage litigation so that they should be compelled to pay, he was at liberty to do so, but the best way to overcome any difficulty was not to alter the definition of owner of a mill.

HON. C. F. NIELSON: The Mossman, Mulgrave, and the two other central mills had been asking to be excluded from the operation of the Act. Some of their representatives appeared before the Select Committee last year.

The SECRETARY FOR MINES: They do not represent the whole of the growers.

HON. C. F. NIELSON: In the Mulgrave and the Mossman they did. No grower ever asked for a board at either of those two mills. The evidence of Mr. Hodges at the Select Committee showed that at the Isis Central Mill every grower was treated alike, whether a shareholder or not. They all got the same price for cane, although some might pay freight and some might not, as in the North in some cases. It was impossible to put them all on the same footing to a halfpenny under the awards. Those mills had, with every justification, asked to be excluded from the Act, and he tabled the amendment after full consideration, believing that they were entitled to be free if they so wished.

The SECRETARY FOR MINES: Can you explain how it is that applications have been made in those districts for information as to how the growers bring about the constitution of boards? Is it not an evidence that a certain number want to come under the Bill?

HON. C. F. NIELSON: So far as the 2d. levy was concerned, if that was the trouble with the Hon. Mr. Beirne and the Hon. Mr. Courtice, he would accept an amendment to the effect that the levy should still remain, if that would satisfy the Minister.

The SECRETARY FOR MINES: No. We do not want the definition at all.

HON. C. F. NIELSON: Exactly, they wanted people to be under the legislation whether they wished it or not.

The SECRETARY FOR MINES: You would not allow the Factories and Shops Act to apply to the few shops in a country district?

HON C. F. NIELSON: It was a different thing altogether. The mills could not compete with one another.

Hon. I. PEREL: Your argument is that the people who do not use the Post Office should not pay taxes to keep the mails going.

HON. C. F. NIELSON: The whole country paid for the Post Office, but the whole country did not pay for the machinery in connection with the sugar industry at all.

[3 p.m.] The Hon. Mr. Jones suggested that if the amendment were carried it would simply lead to litigation. He wanted to disabuse his mind on that matter, because the Mulgrave, Mossman, and Plane Creek people were people with whom he had had nothing to do.

Question—That the words proposed to be inserted (*Mr. Nielson's amendment*) be so inserted—put; and the Committee divided:—

CONTENTS, 6.

Hon. C. Campbell	Hon. C. F. Nielson
,, A. Gibson	,, T. J. O'Shea
,, C. F. Marks	,, A. H. Parnell

Teller: Hon. A. H. Parnell.

NOT-CONTENTS, 26.

Hon. E. Bedford	Hon. T. M. Hall
,, T. C. Beirne	,, J. Hodel
,, F. T. Brentnall	,, A. J. Jones
,, F. Courtice	,, H. C. Jones
,, J. Cowlishaw	,, P. J. Leahy
,, W. R. Crampton	,, H. Llewelyn
,, G. S. Curtis	,, F. McDonnell
,, W. H. Demaine	,, T. Nevitt
,, A. Dunn	,, G. Page-Hanify
,, B. Fahey	,, I. Perel
,, E. W. H. Fowles	,, E. B. Purnell
,, G. W. Gray	,, W. J. Riordan
,, H. L. Groom	,, H. Turner

Teller: Hon. H. C. Jones.

Resolved in the negative.

Clause 2 put and passed.

The Council resumed. The CHAIRMAN reported the Bill with amendments, and the report was adopted.

The SECRETARY FOR MINES: I beg to move—That the Bill be recommitted for the reconsideration of clauses 6, 7, and 12.

HON. P. J. LEAHY: Some question has been raised as to the interpretation of clause 12, which deals with an interim award, and which, I think, is intended to mean that there shall be a distribution at the end of the season. It is not clear, and I would like the Minister to give his attention to that clause. There seems to be some doubt as to whether there is sufficient provision as to paying the balance of the money at the end of the season, and we do not want to send the Bill down to the other Chamber with a blemish if we can help it.

Question put and passed.

RECOMMITTAL.

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

On clause 6—"*Check chemists*"—

HON. E. W. H. FOWLES moved the insertion, after line 31, page 6, of the following words:—

> "A copy of the valuation furnished by any valuator to the Central Board shall, within seven days from the receipt thereof by the Central Board, be supplied to the owner of the property which has been valued in such valuation.
>
> "Any owner may, within thirty days after the receipt of such copy of valuation, give notice in writing to the Central Board that he intends to appeal against such valuation.
>
> "Upon receipt of any notice of appeal against any such valuation the Central Board shall institute proceedings for the hearing of such appeal before a judge of the Supreme Court.
>
> "Jurisdiction is hereby conferred upon the Supreme Court to hear and determine all such appeals.
>
> "The Central Board shall not proceed or act in the matter of making an award for the mill and the suppliers to such mill in respect of which a notice of appeal has been given against any valuation of the property of the owner of such mill or of any supplier until such appeal has been finally determined, nor in any case until the time hereinbefore limited for the giving notice of intention to appeal shall have elapsed."

That was hardly the proper place in the Bill for an appeal clause. It should come in as a new clause altogether, but they could not introduce a new clause in the recommittal of a Bill. He hoped the Minister would accept the amendment because the appeal had to be listed within thirty days and the decision of the Supreme Court was to be final. He did not suppose there would be one appeal in ten, but if the Crown wished to appeal against a valuation, that would be a very useful clause. If they allowed for appeals in every case there would be fewer strikes. The valuation would probably be made in February and the time for an appeal would be over at the end of March. It would be heard before the end of April so that there could be no tying up of the award at all.

The SECRETARY FOR MINES: He was really at a loss to know why the Hon. Mr. Fowles had not moved the amendment earlier. He understood, when he agreed to recommit the Bill, that only consequential amendments would be moved on certain clauses to make the Bill consistent with other amendments that had been inserted. However, he thought it was a sound principle that the right of appeal should be maintained, but he was informed by the expert that it was impossible to value the mills by February, and if the amendment were carried in its present form a good deal of delay would occur in fixing the awards. The amendment read—

> "Upon receipt of any notice of appeal against any such valuation the Central Board shall institute proceedings for the hearing of such appeal before a judge of the Supreme Court."

Would his decision be final?

Hon. E. W. H FOWLES: Yes.

The SECRETARY FOR MINES: It did not say so in the amendment

Hon. E. W. H. FOWLES: We could insert the words "whose decision shall be final."

The SECRETARY FOR MINES: Was the amendment necessary?

Hon. E. W. H. FOWLES: It was a safe thing to have an appeal both for the Crown and against the Crown.

The SECRETARY FOR MINES: The Bill in its present form was probably acceptable to Parliament and they did not want to do anything at that stage that would make it inoperative or interfere with the fixing of awards. He hoped there would be no delay in fixing the awards, which might be the case if the amendment were carried.

HON. C. F. NIELSON: The amendment had been duly circulated and he understood that the Hon. Mr. Fowles had not moved it yesterday because he knew the Bill had to be recommitted, and he found that the place in which he had intended to insert the amendment was not the most convenient place in the Bill. Therefore he postponed moving the amendment until the Bill was recommitted. One of the chief factors mentioned by the Minister for Agriculture was that a valuator was required because too-high values had been placed or might be placed on the mills. In several instances, apart from the Government Central Mills altogether, the value of the plant runs into £150,000 to £170,000 and they knew by reading the awards that with one sweep of the hand, without looking at the premises at all, and without any evidence whatever, the Central Board had taken it upon themselves to reduce the valuation put in by the owner by £30,000 or £40,000. The capital employed was a necessary factor. How else was the Central Board to make an award and give anything like a return on the capital invested? And what was the valuator for? The amount involved was so great that there should be an appeal to arrive at the correct value of the assets employed. If it were merely a question of a few [3.30 p.m.] pounds, it would not make any difference, but supposing there was a difference of £20,000 or £30,000 in £150,000, and the Central Board were going to allow 3 per cent. on the capital employed, it would make a difference of 2 per cent. to the owner of the mill and a difference of 1 per cent. with respect to depreciation. As to delaying an award, there was nothing in that argument, because the board were empowered under the Bill to make an interim award, and, even if the valuator had not completed his valuation when the interim award was made, that award would still stand, as the valuation would only affect the final award. Valuations were not made every year, and they would not have to be made in every case. Once a valuation was made, if there were any additions to the plant, they simply produced vouchers to show what had been spent during the year.

HON. E. W. H. FOWLES asked leave to amend the amendment by inserting the words "on application" after the word "shall" on line 2, and by inserting after the word "court" at the end of the third paragraph the words "whose decision thereon shall be final."

Amendments agreed to.

The SECRETARY FOR MINES: He wanted the amendments that were made to be such that they would be acceptable to the other House so that the Bill would not be coming back again from the Assembly. (Hear, hear!) He therefore thought that the time should be extended from seven days to at least thirty days to allow sufficient time for a copy of the valuation to be furnished to the Central Board.

Hon. E. W. H. FOWLES: I am prepared to accept the hon. member's suggestion, or to make it twenty-one days. The only objection is that it will make a little longer delay, but if the Government do not mind I do not object.

The SECRETARY FOR MINES: It was only to meet the convenience of the staff and not to ask them to do impossibilities.

Hon. C. F. NIELSON: The valuator has his valuation typed, and he could be instructed to have it ready in February.

The SECRETARY FOR MINES: With respect to the last paragraph, which provided that the Central Board should not proceed or act in the matter of making an award for a mill in respect of which a notice of appeal had been given against any valuation, he thought it should be made clear that it applied only to a final award and not to an interim award. He therefore suggested that the hon. member should insert the word "final" before the word "award" in the second line of the paragraph.

HON. E. W. H. FOWLES: He was prepared to accept the suggestions of the hon. member, and he therefore moved the omission of the word "seven" in the second line of the first paragraph with a view to the insertion of the words "twenty-one," and the insertion of the word "final" before the word "award" in the second line of the last paragraph.

Amendments agreed to.

Amendment (*Mr. Fowles's*), as amended, agreed to.

Clause 6, as further amended, put and passed.

Clause 7—"*Amendment of section 7*"—

HON. E. W. H. FOWLES: Section 7 of the principal Act referred to the awards of local boards. The difficulty appeared to be whether it would be right to allow one or two growers in a district to upset the arrangements of the whole district, and whether, on the other hand, it would be right that 51 per cent. of the growers should tie the hands of the other 49 per cent. It was advisable to do justice to all parties, and a via media appeared to be that, if growers who had been for years working under agreements wished to continue under agreements, they should be allowed to do so, and those growers who did not wish to continue under an agreement or did not wish to have an agreement with a mill should be at liberty to ask for a local board. He therefore moved the insertion of the following new clause to follow clause 7:—

> "Notwithstanding anything contained or implied in this or the principal Act, it shall be competent for any millowner and any number of canegrowers supplying sugar-cane to the mill of such millowner to enter into agreements (such agreements being made in the same terms as to period of time, price, and general conditions) for the supply of sugar-cane to such mill; and no local board shall be or be deemed to be constituted or have jurisdiction with respect to such canegrowers."

The only objection to the amendment might

come from the millers, who might say that they did not want to have two classes of suppliers.

Hon. T. C. BEIRNE: The amendment will permit some people to contract themselves outside the Act. I don't think they will accept that in the other place.

HON. E. W. H. FOWLES: If they did not allow 80 per cent. of the suppliers to a mill to make an agreement with the millowner, they would have the other 20 per cent. imposing their will on the 80 per cent., or it might be 1 per cent. imposing their will on the 99 per cent. He thought the Government would see that they could not eat all the puddings, and that there must be a fair division.

The SECRETARY FOR MINES: We have given away a lot now.

Hon. T. C. BEIRNE: You compel some shops to close at 6, and allow others to keep open till 11.

HON. E. W. H. FOWLES: The positions were not analogous at all. They compelled shops to close at 6 o'clock and allowed rum shops to keep open till 11.

HON. T. J. O'SHEA: They had heard many complaints from people at various times against the eternal crowding on them of legislation they did not want. People were aching for liberty; they were clamouring to be let alone. In all probability they might have as many as 99 per cent. of canegrowers who were desirous of entering into an agreement with a mill already in existence, or with a mill about to be constructed, and why should one disgruntled person be able to prevent them entering into such an agreement? If they gave the growers power to enter into an agreement, that would make for the stability of the industry. They had an instance not long since where all the growers in a particular locality were unanimous, and made an agreement with the millowner, but because of the existence of the Act they were not able to carry out that agreement, but had to go cap in hand to the board and ask them to agree to their wishes. There was no reason why the Government should coerce people to do a thing they did not want to do. The amendment was a sane one, and the Minister would act wisely if he accepted it.

The SECRETARY FOR MINES: The amendment was not acceptable to the Government. The hon. gentleman who had just resumed his seat had stated that one disgruntled person could flout the wishes of the majority of the canegrowers. That was not so. It would be quite competent for the board to make an award in accordance with the wishes of the ninety-nine growers as against the wishes of one grower. The amendment would destroy the whole object of the Bill.

Hon. E. W. H. FOWLES: No; any twenty growers can ask for a local board under the Bill.

The SECRETARY FOR MINES: Why should they allow people to contract themselves out of the provisions of the Bill? They did not do that under any other Act, and he could not see his way to accept the amendment.

HON. T. C. BEIRNE: The second paragraph of clause 7 read as follows:—

> "Paragraph (ii.) of the proviso to the said section is repealed."

If hon. members looked at the principal Act, they would find that paragraph (ii.) of section 7 read thus—

> "A local board may, if they think proper, delegate to the Central Board the power to make an award under this Act, whereupon the functions and jurisdiction of such local board shall be superseded and the award of the Central Board, when made, shall have the effect of an award under this Act."

The amendment of the Hon. Mr. Fowles would continue the operation of that provision.

Hon. E. W. H. FOWLES: Oh, no!

HON. T. C. BEIRNE: Well, he could not see the difference between that and the amendment.

HON. F. COURTICE: He hoped that the Committee would not accept the amendment, because it would result in an injustice to the growers. It would be all right if the miller had no control whatever over the growers, but, as a matter of fact, the miller could in many instances coerce a grower to sign an agreement against his will.

Hon. C. F. NIELSON: Give us one instance.

HON. F. COURTICE: The hon. member knew that there were many instances. He trusted that the Committee would turn down the amendment, because he did not think it would be acceptable to the Lower House.

HON. C. F. NIELSON: The amendment which he proposed the previous day was objected to on the ground that the majority should not bind the minority. The logical conclusion from that was that the minority ought to bind the majority. They did not know whether the majority or the minority were on the side of those who desired to allow the growers to make agreements, because they had been approached by about 25 per cent. only of the growers. The Central Board were asked to go to Cairns this year to confirm an agreement which was mentioned in the "Government Gazette" of 16th June, 1917. The agreement could have been confirmed in their own office in Brisbane just as easily, but June was not a bad time of the year to go to Cairns. The board, in their award, said—

> "HAMBLEDON MILL.
>
> "On 10th May an application on behalf of both canegrowers and millowners (Colonial Sugar Refining Company, Limited) was made to the board, at Brisbane, for their approval to an agreement entered into between the parties as to the price of cane for the season 1917 and other matters.
>
> "The board reserved their decision, pending the holding of an inquiry into the delegation by the local board to this board to make an award, which inquiry was set down for hearing at Cairns on 4th June instant.
>
> "On the 5th June the application for the board's approval was renewed at Cairns; application and delegation were heard together.
>
> "The terms of the agreement being in the opinion of the board in conformity with the Act, and fair and reasonable as far as they went, the board were asked by both parties to approve of the agreement, and not to make an award in terms of the agreement.
>
> "The board decided to make an award in preference to approving of the

agreement.' They consider an award has several advantages over an agreement. For instance, an award can be enforced under the Act by penalty for breach. It can also be made to take effect until further order, so that if existing conditions change a new award can be made. It can also be published in the 'Gazette' with other awards, and be more conveniently recorded."

The board in that case had to travel all the way from Brisbane to Cairns to do what the growers should have been able to do themselves. In the case of the Kalamia Mill, the board said—

"An application was made on the 26th July, 1917, to the board to change the base price by decrease under section 12 (5), or in the alternative to terminate the award under clause 8 thereof, and make a fresh award embodying the terms of the agreement arrived at between the millowners and the canegrowers. This application was made on behalf of eighty-eight out of ninety suppliers and on behalf of the millowners. The remaining two suppliers intimated that they neither opposed nor supported the application, but left the matter entirely to the board's discretion."

Why should those two suppliers interfere with the other eighty-eight suppliers? As the clause now stood, a great number of leaseholders would go out of the industry, simply because their leases could not be ratified by the board; but if they gave a board for forty leaseholders on one estate, and allowed twenty-seven leaseholders on another estate to make an agreement, the growers would be able to retain their farms. He could not conceive of anything fairer than to allow those who want one thing to have it, and those who wanted another thing to have what they desired. He would ask the Minister if he had any information from the President as to the receipt of a telegram to the effect that a number of growers from Cairns, the Johnstone River, and the Herbert River were coming down to Brisbane as a delegation, and would arrive in the morning to place their views before the House on the question of making agreements?

The SECRETARY FOR MINES: He had no official knowledge of any telegram or communication received by the President. He understood that the proper method of approaching the President on any matter of legislation before the House was by petition, and he had no knowledge of any private communications sent to the President.

HON. E. W. H. FOWLES: It had been suggested that if the Committee passed that amendment they would be reviving one that was defeated yesterday. That was not so, because the amendment which [4 p.m.] was defeated yesterday fastened the wishes of 51 per cent. upon 49 per cent., but the amendment now before the Council said that if 51 per cent. wanted to make a contract they could do so, and if the 49 per cent. wanted a local board they could have a local board. That was home rule for the sugar industry.

HON. C. F. NIELSON: He would like to know whether the Minister would provide an opportunity, if the Bill was returned from another place, for those growers to place their views before the Council before the Bill was finally dealt with.

The SECRETARY FOR MINES: If the Bill was returned from the other House, then members of the Council would have an opportunity of expressing the view of the growers who the Hon. Mr. Nielson said were on the way down to Brisbane.

Hon. F. T. BRENTNALL: Can we open up the whole subject-matter of the Bill?

The SECRETARY FOR MINES: They could only deal with the message that came from the Assembly.

Question—That the words proposed to be added (*Mr. Fowles's amendment*) be so added—put; and the Committee divided:—

CONTENTS, 19.

Hon. F. T. Brentnall	Hon. A. G. C. Hawthorn
,, C. Campbell	,, J. Hodel
,, J. Cowlishaw	,, C. F. Marks
,, G. S. Curtis	,, C. F. Nielson
,, A. A. Davey	,, T. J. O'Shea
,, A. Dunn	,, A. H. Parnell
,, E. W. H. Fowles	,, E. H. T. Plant
,, A. Gibson	,, W. Stephens
,, G. W. Gray	,, H. Turner
,, H. L. Groom	

Teller: Hon. T. J. O'Shea.

NOT-CONTENTS, 15.

Hon. R. Bedford	Hon. H. Llewelyn
,, T. C. Beirne	,, F. McDonnell
,, F. Courtice	,, T. Nevitt
,, W. R. Crampton	,, G. Page-Hanify
,, W. H. Demaine	,, I. Perel
,, B. Fahey	,, E. B. Purnell
,, A. J. Jones	,, W. J. Riordan
,, H. C. Jones	

Teller: Hon. G. Page-Hanify.

Resolved in the affirmative.

Clause, as amended, put and passed.

On clause 12—"*Amendment of section 12*"

HON. E. W. H. FOWLES: The Committee passed an amendment yesterday saying that 75 per cent. of the award was to be paid in the interim, but they never said anything about when the 25 per cent. was to be paid, and the miller could hold on to that 25 per cent. until doomsday.

Hon. F. COURTICE: What do you suggest?

HON. E. W. H. FOWLES: He suggested that the 25 per cent. ought to be paid within nine months of the commencement of the season.

Hon. C. F. NIELSON: It would be better to make it within nine months of the award of the Central Board, or at the end of the season.

HON. E. W. H. FOWLES: There was no knowing what the end of the season meant. Did it mean the crushing season, or the financial season?

The SECRETARY FOR MINES: A certain time is allowed for appeal, and if you leave it to the Central Board it will be acceptable.

HON. E. W. H. FOWLES: He moved the insertion, after line 18, page 10, of the following words:—

"The balance remaining due after such interim payments shall be ascertained and fixed by the local board and paid by the owner of the mill to each canegrower within nine months from the date of commencement of crushing."

That would give fair time. The crushing season usually lasted about six months.

Hon. F. COURTICE: I would rather you left it to the Central Board.

HON. E. W. H. FOWLES: He did not wish to press it; it was only in the interests of the grower. Section 8 of the principal Act said that an award of a local board was to remain in force and be practically cast-iron, subject only to an appeal to the Central Board. He moved the insertion, after line 32, page 10, of the following:—

"In section 8 of the principal Act, after the words 'Central Board' where they first occur, insert the words—

'and to any adjustments made with regard to the final price after a payment not exceeding 75 per centum of the estimated value of such sugar-cane has been made as herein provided.'"

Amendment agreed to.

On the motion of HON. E. W. H. FOWLES the clause was further amended by the omission of the words "the said," on line 33, page 10, and the insertion, after the word "section," in line 34, page 10, of the words "twelve of the principal Act."

HON. T. J. O'SHEA moved the omission, on line 36, of the word "the," with a view to inserting the word "such."

Amendment agreed to.

HON. T J. O'SHEA moved the insertion, after line 29, page 12, of the following:—

"In subsection five of section twelve of the principal Act, the words 'Local board or any party' are hereby repealed, and the words 'any millowner or by any twenty canegrowers or one-third, if the whole number does not exceed sixty. The majority of canegrowers bound by the award who supplied sugar-cane to such mill during the year then last past' are inserted in lieu thereof."

The amendment was necessary to bring the clause into conformity with other clauses of the Bill.

Amendment agreed to.

Clause 12, as further amended, put and passed.

The Council resumed. The CHAIRMAN reported the Bill with further amendments, and the report was adopted.

THIRD READING.

The SECRETARY FOR MINES: I beg to move—That the Bill be now read a third time. Yesterday and previously, when the Bill was in Committee, hon. members made certain statements about the Government of the State not honouring their "scrap of paper," and said that they did not keep faith with the Prime Minister of the Commonwealth in a certain matter. I would like to quote from an article which appeared in the "Brisbane Courier," and which is headed:—

"BREACH OF FAITH.

"SUGAR CANE PRICES BILL.

"*Mr. Ryan's Assurances.*

"Another 'Scrap of Paper' Episode.

"Melbourne, 2nd November.

"The Minister for the Navy (Mr. Cook), in the absence of the Prime Minister (Mr. Hughes), referring to-day to the Regulation of Sugar Cane Prices Act Amendment Bill now before the Queensland Parliament, said: 'The Queensland Government is guilty of a breach of faith with the Commonwealth Government. Mr. Hughes, as far back as June last, while conducting negotiations for the purchase of the Queensland sugar crop, stipulated for an assurance from the Queensland Premier (Mr. Ryan) that no legislation should be introduced into the State Parliament affecting the industry without the approval of the Commonwealth Government. Mr. Ryan replied that he was pledged to introduce the Cane Prices Amendment Bill, which was passed by the Queensland Assembly last session, but rejected by the Council. He said that the Bill was designed to correct anomalies in the existing Act, that its general purpose was to secure reasonable prices for cane based on the price of sugar, and to adjust differences regarding cane prices between millers and growers. Mr. Hughes replied that he had not seen a copy of the Bill, and emphasised the following factors, which must remain constant, viz., rates of wages under the McCawley award; £21 per ton to be paid for raw sugar of 94 per cent. net titre; cost of transport of raw sugar and refining thereof; 3½d. per lb. to be the retail price, the wholesale price to be such as to allow of sugar being distributed and sold at that rate. The powers of the cane board must, therefore, be defined so as to ensure that these basic conditions should not be disturbed. Mr. Hunter (Queensland Minister for Lands), who was in Melbourne at the time, gave Mr. Hughes a written undertaking that the Government would not acept any material alteration during the passage of the Bill, and, consequently, it could not become law with any material alterations. The factors referred to, which Mr. Hughes desired to remain constant, could not and would not be disturbed by the proposed Bill during the currency of the present agreement with the Commonwealth Government, and, moreover, it would not affect this year's crop. In view of those facts, he urged that Mr. Hughes should sign the agreement on these understandings. Mr. Ryan confirmed the assurances given by Mr. Hunter, and the Prime Minister and Mr. Ryan signed the agreement.

"On 3rd ultimo, Mr. Hughes informed Mr. Ryan that he noticed that the Bill, notwithstanding the assurances given by himself and Mr. Hunter, had been materially altered in the Assembly by the insertion of provisions enabling the Queensland Government in certain contingencies to take possession of mills and work them at the owners' expense, and that, moreover, there is no provision in the Bill to prevent its application to this year's crop under the measure as it stands. Therefore, the conditions of the industry may be affected during the currency of the Commonwealth Government's agreement, which expires in June next. Mr. Hughes asked Mr. Ryan to secure the alteration of the measure in harmony with the assurances given by him, but no reply has been received.

"'Altogether, it looks,' said Mr. Cook, 'like another "scrap of paper" business. Certainly, it is a clear departure from the written compact between Mr. Ryan and Mr. Hughes.'"

I wish to show the House, and incidentally the people of the country and the sugar-growers, what prompted Mr. Cook to make

that statement to the Press at an opportune time when this Bill was at its second reading stage in this House. That article [4.30 p.m.] appeared in the "Courier" on the 3rd of November. On the 2nd November Mr. Pritchard sent the following telegram to Colonel Oldershaw, Melbourne:—

> "Bill now at second reading stage Upper House unless statement made immediately will be valueless our purpose if Prime Minister absent can you get other Minister speak his behalf. Kindly endeavour get statement made immediately matter highly important."

The statement in the "Courier" was inspired by a telegram from Brisbane, with the object of influencing members of this House.

Hon. E. W. H. FOWLES: No, it was put there because you suppressed the letter, and this House had to ask for it.

The SECRETARY FOR MINES: Which letter?

Hon. E. W. H. FOWLES: The letter of 3rd October.

The SECRETARY FOR MINES: The hon. gentleman knows that I did not suppress any correspondence. Immediately the hon. gentleman asked me would I bring the correspondence here, I said "Yes," and was applauded for saying it.

Hon. A. G. C. HAWTHORN: You did not publish the letter of 3rd October.

The SECRETARY FOR MINES: I said we could not publish that letter without the consent of the writer, who was the Prime Minister of the Commonwealth. We afterwards gained his consent, and the letter was published. I have shown what prompted Mr. Joseph Cook, the Minister for the Navy, to make his statement to the Press of Queensland, with the object of intimidating and influencing members of this House in their decision on the Bill. It is a disgraceful thing that such an attempt should be made, but I do not think it did influence members of this House. With regard to the Bill, I think it is not likely that it would come back from the Assembly were it not for one amendment. The House has spent some time considering the measure and endeavouring to make it a Bill in the interest of the growers and the industry generally. You cannot squeeze any portion of the industry without injuring other portions. If you squeeze the millers out of existence you will squeeze the growers out of existence, unless you have some other persons to take the place of the millers. One branch of the industry is dependant upon the other branches. I cannot anticipate what the action of the Assembly will be when the Bill is returned to that House. I move—That the Bill be now read a third time.

HON. C. F. NIELSON: The Minister waxed quite excitable just now with reference to a paragraph which appeared in the "Courier." I noticed that when the shipping holdup, or lockout, or strike, or whatever you please to call it, took place, the hon. gentleman's leader, the Premier of Queensland, wired Mr. Pritchard in Sydney, asking him, if you please, to ask the Colonial Sugar Refining Company if they would be good enough to assist in getting boats sent to Queensland. When it suits the Government and the Premier to make use of Mr. Pritchard and the Colonial Sugar Refining Company they do not hesitate to do so. There has been a good deal of discussion on this measure, and I am pleased to know that the Minister considers that the time spent upon it has been usefully employed. I realise that it does not matter how much you do in connection with an industry of this kind, because the more you investigate it the more you will discover the intricacies of it. It is the most intricate industry there is in Queensland, to my knowledge. We have had considerable correspondence read to the House, and I am sorry to have to refer to some correspondence that has not been read. I should like the Hon. Mr. Beirne to let us know why he only quoted the opinion of one of his friends at Mackay. Why did he not quote the opinion of Mr. Dillman, of Mackay?

Hon. T. C. BEIRNE: It would take me a month to read all the correspondence I have received.

HON. C. F. NIELSON: I look upon Mr. Dillman as a man who is better able to dissect and discuss the balance-sheet of a mill than most men are, and I am sure the Hon. Mr. Beirne must appreciate the value of his knowledge in that respect. I regret that the hon. gentleman did not give us the benefit of Mr. Dillman's opinion. Some time ago the Hon. Mr. Beirne got a letter from Mr. Dillman, which he was asked to give me an opportunity of perusing.

Hon. T. C. BEIRNE: You have it now.

HON. C. F. NIELSON: Yes, I have it now. Mr. Dillman wrote to me, and said he had written more fully to Mr. Beirne, and had asked him to show me the letter. I naturally waited for the hon. gentleman to show me that letter, but so far I have not been honoured with a copy of it. Then there is a Mr. Harrington, from whom the Hon. Mr. Beirne made inquiries, and I am sure his opinion would have been of value to the House.

Hon. T. C. BEIRNE: Yes, and I included it in my speech.

HON. C. F. NIELSON: The only information I know that the hon. gentleman used from that letter was that some men in the industry are earning £3 per day. The Hon. Mr. Beirne also got some telegrams, according to the Press. I happen to know that on 21st November there appeared in the "Courier" copies of telegrams from Cairns which the Hon. Mr. Beirne received, but did not use in this House. I think we might have had those telegrams read to us by the hon. gentleman. However, to return to the measure before us, I venture to predict that, if the Bill is accepted as passed by this House, we shall be discussing another Cane Prices Boards Bill next session. This sort of legislation will recur in exactly the same way as land legislation has recurred for years and years past. It will be more likely to recur in connection with this industry, because the variations of the industry are much greater and the intricacies far more numerous than the variations and intricacies of any other industry in Queensland. If it should be thought necessary by the Government to introduce amending legislation in the future, then they might well consider the desirability of commencing de novo, and introducing a codifying measure, instead of an amending Bill. The Government should start with a

basis in legislation of this sort, but the present Act and this Bill are without a fundamental basis upon which awards should be made. In the Industrial Court there is a basis which was laid down by the court from the beginning, that basis being a living wage, plus the ability of the industry to pay that living wage. The weak feature of the legislation in connection with the sugar industry is the want of a basis. During the last twelve months the board has endeavoured to distribute the profits of the industry, but it must be recognised that you cannot have two opposing bases for that distribution—the ability to pay on the part of the miller, and the necessity to receive on the part of the seller—because those two bases are in conflict. Therefore, it will be for the Government to select one basis which will be the foundation of the legislation. I anticipate no more settlement from this Bill than in the past. I do not know that the Central Board, although they have the power to make an award, will be any more successful. I know that the awards for the 1917 season are far from having been a success. I instanced the cases of fourteen mills as to the effect of the increase given by the Federal Government for sugar from £18 to £21. There were three distinct purposes for which that increase was made—to enable the wages to be paid in the industry, to enable the grower to receive a reasonable price for his cane, and to enable the raw miller to receive reasonable profits for milling. I showed where the whole three proportions were given to the growers. I think that the calculation showed that on the average the owners of fourteen mills will receive the benefit of only 1s. 5d. per ton of cane, equal to 5s. 6d. out of the rise of £3. Some mills had actually to pay out more than they received. I say that the awards of the board in those cases have been a long way from successful. I am not speaking of private mills only, but of central mills as well. I hope the new basis of a preliminary payment will, at any rate, obviate the recurrence of the losses that have been made by the central mills as a result of the awards of the Central Board.

HON. A. G. C. HAWTHORN: It is the custom now on the third reading of a Bill to have a say, and I propose to make a few brief remarks. (Laughter.) I hope the prediction of the Hon. Mr. Nielson is not going to come true that next year we will have the Bill before us again. There is no doubt that what we have heard during these debates has proved that some amendments were required, and I think the Bill will go from this Chamber in very much better shape than that in which it came here, and with some reasonable chance of being acceptable to the millers and growers both. I am in hopes it will be acceptable to the Government—from what the Minister has said I think it will be—and I hope we shall not be troubled with it again this session. It has been a very long and tedious Bill, and we certainly trust that the results will be beneficial. We have done what we could to improve it, and I hope we have placed the position of both growers and millers on a better basis than in the past.

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

The Bill was passed, and the title agreed to.

The Bill was ordered to be returned to the Assembly by message in the usual form.

PHARMACY BILL.

FIRST READING.

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

The second reading was made an Order of the Day for to-morrow.

STATE IRON AND STEEL WORKS BILL

COMMITTEE.

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

Clause 1 put and passed.

On clause 2—"*Interpretation*"—

HON. E. W. H. FOWLES moved the omission of lines 3, 4, and 5, page 2, comprising the definition of "this Act"—

> "This Act—This Act and all regulations, proclamations, and Orders in Council made thereunder."

Although proclamations were to be read as one with the Act, nevertheless if they allowed that definition to go the Government would be able to make regulations with regard to future proclamations. He understood that the clause which allowed them to do that was to be cut out of the Bill—that was, clause 8—which gave the Governor in Council power by proclamation to extend the operation of the Act.

The SECRETARY FOR MINES: That has not been cut out.

HON. E. W. H. FOWLES: No, but they would only have to come back again afterwards if it were cut out.

HON. A. G. C. HAWTHORN: It might be better to move the omission of lines 4 and 5, because there was no doubt that regulations should form part of the Act, and usually did.

The SECRETARY FOR MINES: The Hon. Mr. Fowles, in moving the amendment, anticipated the action of the Council with regard to knocking out the whole of clause 8. The amendments circulated indicated to him that hon. members were moving the amendments in an endeavour to restrict the powers of the Government under the Bill. (Hear, hear!)

Hon. E. W. H. FOWLES: We want it steel, iron, and coke.

The SECRETARY FOR MINES: They did want to steal anything. (Laughter.) The hon. member admitted he wanted to steal coke.

Hon. E. W. H. FOWLES: He shall have to iron out the Bill, anyhow.

The SECRETARY FOR MINES: Probably to save time it would be wise to concentrate on the present amendment the discussion on clause 3 and clause 8, if the Chairman would allow it. Certainly he agreed with the Hon. Mr. Hawthorn that the regulations should be included in the definition of "This Act."

Hon. E. W. H. FOWLES: That is already in clause 12.

The SECRETARY FOR MINES: Hon. members might give reasons as to which clauses they disagreed with, and why the Government should be restricted and their powers in any way limited. There might have to be certain proclamations and Orders in Council issued under the Act.

HON. A. G. C. HAWTHORN: In the Elections Act of 1915, "This Act" was defined as "This Act and all Orders in Council, regulations, and rules of court made thereunder." Then, in the Land Act of 1915, "This Act" was defined as "This Act and any regulations made thereunder." It was important to say what "This Act" meant, but they might knock out the words "Proclamations and Orders in Council."

[5 p.m.]

HON. E. W. H. FOWLES asked leave to withdraw his amendment with a view to moving the omission of the words "Proclamations and Orders in Council," on line 4.

Amendment withdrawn accordingly.

HON. E. W. H. FOWLES moved the omission, on line 4, of the words "Proclamations and Orders in Council."

HON. P. J. LEAHY: The amendment, no doubt, would be all right, but he thought it would be quite sufficient to delete the regulations. The Act would speak for itself.

The SECRETARY FOR MINES: The Government, in establishing an undertaking such as the iron and steel works industry, would require probably a little more than the ordinary powers given under other Acts. It was admitted that the establishment of iron and steel works was an enormous undertaking, and an undertaking that would require a little more than the ordinary amount of cash to establish. He would refer hon. members to clause 3, which was as follows:—

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

Hon. P. J. LEAHY: And you can do that under regulations or under a proclamation.

The SECRETARY FOR MINES: The Committee were cutting out the words "Proclamations and Orders in Council." There was an amendment circulated to omit clause 8, and the hon. gentleman anticipated that that would be carried. The alteration of the definition of "This Act" practically meant the omission of clause 8 of the Bill, as they would be able to do nothing by proclamation.

Hon. E. W. H. FOWLES: We are supposed to rule by Parliament.

The SECRETARY FOR MINES: If the Bill were carried as introduced, the Government would have to come to Parliament for the money.

Hon. E. W. H. FOWLES: No. Look at clauses 9 and 10.

The SECRETARY FOR MINES: Parliament had supreme control over the Government. Clause 9 referred to money already spent.

HON. A. G. C. HAWTHORN: Clause 11 provided that—

> "All proclamations, Orders in Council, and regulations purporting to be made by the Governor in Council under and for the purposes of this Act, and published in the 'Gazette,' shall be read as one with this Act and construed as being of equal validity, and shall be judicially noticed."

That was too big a power to give to any Government. The clause also provided that the regulations should be submitted to Parliament, but there was no provision that the proclamations should be submitted to Parliament. The result was that the Government would have power, by issuing a proclamation, to do just as much as they could do under the Act itself, and there would be no need for Parliament at all. It was a reasonable thing to define "This Act" as meaning "The Act and all regulations made thereunder," because the regulations had to be submitted to Parliament. In reading the Bill it would be found that several clauses said, "Subject to this Act," and the mere fact of defining "This Act" as meaning "This Act and the regulations thereunder" would obviate the necessity of putting in the words, "Subject to this Act and the regulations thereunder."

Amendment agreed to.

Clause, as amended, put and passed.

On clause 3—"*Minister may establish and carry on iron and steel works*"—

HON. A. G. C. HAWTHORN moved the insertion, after the word "of," on line 12, of the word, "coke." The clause would then read, "and the manufacture and production of coke, iron, and steel." The Minister had intimated that it was intended to go in for the manufacture of coke, and it was just as well to embody it in the Bill.

The SECRETARY FOR MINES: Judging by the speeches delivered on the second reading of the Bill, the proposal would receive rather sympathetic treatment, and he would like at that stage to point out the importance of the industry they were about to establish. Hon. members, whether they believed in State enterprise or in private enterprise, hoped that the Government would be successful in that undertaking. A good many people who probably did not go the whole way in the matter of what the State should do, would recognise that if the Government could successfully establish the iron and steel industry in this State and in the Commonwealth, it would be a wise thing to do. It must be admitted that the clause gave very wide powers, and he thought the powers should be fairly wide.

Hon. P. J. LEAHY: Are you opposed to the insertion of the word "coke?"

The SECRETARY FOR MINES: No, he was in favour of it, but it was intended to insert the word "coke" in order to eliminate the words "with all or any associated trades, processes, industries, or enterprises." The question was whether the deletion of those words would improve the Bill or not. The clause as it stood did not give the Government too wide a power. Parliament would have an opportunity of meeting long before the Government would need to deal with some of those other trades, processes, industries, or enterprises, as anybody who had studied the question must know that they would have to go step by step, and even the amendments suggested by hon. members would give the Government probably three years' work.

Hon. T. J. O'SHEA: Remember the Sugar Acquisition Act and what you did under that Act. You collared bullocks under the Sugar Act, and what would you do under this?

The SECRETARY FOR MINES: The Government might find it necessary to establish the galvanised iron industry.

Hon. P. J. LEAHY: You can get power to do that if necessary.

The SECRETARY FOR MINES: The Government would have to come back to Parliament to get authority to establish some little industry. It would be a very big thing if they could produce their own steel rails and steel pipes, but in these times, when things were not normal, the Government might want to establish some little tin-pot industry that they did not know of now in connection with the iron and steel works. However, the insertion of the word "coke" was a very good amendment.

HON. A. G. C. HAWTHORN moved the omission, on lines 12, 13, and 14, of the words—

> "with all or any associated trades, processes, industries, or enterprises."

The Minister said that the clause was fairly wide, but it was very wide indeed. If those words were retained, the Government would be able to carry out any enterprise at all by simply calling it an "associated enterprise." Before they undertook anything more than the manufacture of coke, iron, and steel, they ought to obtain the approval of Parliament. If the Government would spend £793,000 on State stations without any authority from Parliament, what would they do if they had such unlimited authority as that clause would give them if it were passed as it stood?

The SECRETARY FOR MINES: The State stations are profitable.

Hon. P. J. LEAHY: That has not been proved by a long way yet.

HON. A. G. C. HAWTHORN: Any concern could be made to show a profit if they did as the Government had done in connection with Mount Hutton. The lease of that station was valued by the lessee at £1,300 with thirteen years to run, and yet the Government, to show a profit, valued it at £14,000 although some considerable time had elapsed since the lessee had made his valuation.

Hon. E. W. H. FOWLES: And they used a profit of £19,000 on cold storage to show a profit on the State butchers' shops.

The SECRETARY FOR MINES: This should not be compared with State butchers' shops. I would sooner see a profit of £100 in this business than a profit of £100,000 on State hotels.

Hon. T. O'SHEA: I would sooner see it carried on at a loss than not see it carried on at all. It is an industry that a private individual cannot carry on.

HON. A. G. C. HAWTHORN: If the industry were carried on properly and free from political control, it was going to do untold good to Queensland.

Hon. T. J. O'SHEA: Even if there is never any profit.

HON. A. G. C. HAWTHORN: They did not know what the Government might bring under the heading of "associated enterprises." If they wanted to start other enterprises than the manufacture of coke, iron, and steel, let them bring in a Bill giving them power to do so. They could not acquire the Chillagoe Railway without introducing a Bill, and that was a case where Parliament should certainly be consulted. The same remark applied in the present instance. They all wanted to see the manufacture of coke, iron, and steel started on a proper basis, but nothing further should be undertaken without parliamentary authority.

HON. T. J. O'SHEA endorsed every word the Hon. Mr. Hawthorn had said, but he went further and wanted to delete the words—

> "and the manufacture, preparation, and production of chattels, articles, and things, composed wholly or in part of iron or steel."

Under the clause as it stood the Government could manufacture watches; they could carry on any business in which iron or steel was used. He did not know any manufacture that would not be covered by the clause as it came to them from the Assembly. He was prepared to give the Government every support so far as the manufacture of coke, iron, and steel was concerned, but he did not think it advisable to go beyond that. He wanted the clause to read—

> "Subject to this Act, the Minister representing the Crown is hereby authorised and empowered to establish, undertake, maintain, and carry on the business of searching for, mining, getting, winning, reducing, and smelting iron and iron ores, and any metal, mineral, earth, ore or product used or for use in such business, and the manufacture and production of coke, iron, and steel, and the sale, supply, or other disposal of the ores, metals, and manufactured products of such business so carried on by him."

Hon. W. R. CRAMPTON: They could not make steel rails or munitions under that.

HON. T. J. O'SHEA: The hon. member could not have read the clause if he said that. There was no question of curtailing the powers of the Government so far as coke, iron, and steel were concerned. He was prepared to insert the words "steel rails" if hon. members thought it necessary to insert those words to allow the Government to carry on the manufacture of rails, though he was of opinion that they had that power without those words; but he was not going to allow them to manufacture watches under the Bill if he could prevent it. If what the Government had done under the Sugar Acquisition Act had been open to grave exception, how much more exception could be taken to a clause which would permit them to manufacture any article from a watch up? The Minister himself was in sympathy with the proposition. The hon. gentleman wanted the Bill to be effective, and it would be effective without the embellishments that had been grafted on to it, and which might be used for ulterior purposes.

Hon. H. LLEWELYN: Where would you draw the line in regard to iron?

HON. T. J. O'SHEA: If hon. members wanted the words "steel rails" inserted, he was quite prepared to move their insertion, but he was strongly opposed to allowing the Bill to be used as an instrument for carrying on businesses that Parliament did not intend to allow the Government to carry on under it. Before the Government entered into any other business they should come to Parliament with a Bill authorising them to carry

on such businesses as they had done lately in such a small thing as the State produce agency business.

Hon. W. R. CRAMPTON: Would you not allow them to manufacture girders for their own buildings?

Hon. P. J. LEAHY: If they could make steel rails, they could do that.

Hon. W. R. CRAMPTON: But the Hon. Mr. O'Shea is going to limit it to steel rails.

HON. T. J. O'SHEA: He was disposed to limit them to that at the present time.

Hon. H. LLEWELYN: Would you not allow them to manufacture implements?

HON. T. J. O'SHEA: They would not need to make implements, and, if they were necessary, they would make them at Ipswich. It was not likely they would make implements where they established their iron and steel works. Hon. members could use their own discretion in the matter, but he certainly would oppose the Bill being used for all or any of the purposes set forth in the clause other than the establishment of coke, iron, and steel works.

HON. A. DUNN: It seemed to him that they were wasting time and were going far beyond the possibilities of the work that the Government could possibly undertake before Parliament met again. The clause was altogether too wide. When the Government wanted to build a railway, they submitted the plans and specifications to Parliament, and asked Parliament to vote the necessary money. In this case they should know precisely what powers they were giving to the Government. They were prepared to give the Minister money for a specific purpose, and as much as he would be able to spend properly before Parliament met again. The Minister would be well advised if he accepted the curtailed powers that hon. members were prepared to give him, and to drop the other works that some hon. members appeared to be willing to allow the Government to establish, although those works might involve the expenditure of millions of pounds. If they were going to establish rolling mills for the purpose of making sheet iron and steel rails, it would run into an enormous expenditure. Before any such works were undertaken, the Government should submit their proposals to Parliament, and he had no doubt that, if they proved that they could effectively carry out the preliminary work of producing iron and steel, they would find Parliament prepared to give them the extended powers for which they asked.

HON. P. J. LEAHY: It was made perfectly clear on the second reading of the Bill that the opinion of the majority of hon. members was that they should confine the Bill to authorising the manufacture of coke, iron, and steel; and if the Minister recognised that fact it would simplify the discussion very much. He took it [5.30 p.m.] that the first thing the Minister wanted was power to make coke, iron, and steel; and certainly he was not likely to produce any of those things to any great extent during the next twelve months. If in the course of twelve months or two years it was found that the Government needed fuller powers than this Bill would confer, he did not think any member in either branch of the Legislature would object to giving them those fuller powers.

HON. T. NEVITT: If the limitation proposed by the Hon. Mr. O'Shea was agreed to, then the Government would not be able to operate the works to an advantage. The manufacture of iron and steel was a vague expression. If they made pig iron they were manufacturing iron, and if they made ingots of steel they were manufacturing steel, but they would probably want to manufacture angle iron, T iron, plate iron, wire, girders, and rails; and if the amendment were agreed to the Government would not be able to engage in the manufacture of those commodities.

The SECRETARY FOR MINES: The amendment moved by the Hon. Mr. Hawthorn would give the Government greater power than the amendment suggested by the Hon. Mr. O'Shea. Bricks would be very necessary in connection with the construction of the works, so that brickmaking would be associated with the enterprise. A large quantity of bricks would be required in the erection of the works, and it would be very foolish on the part of the Government to send home for fire bricks and the other bricks required, when we had such a fine quality of clay for making bricks in Queensland. He understood that the Hon. Mr. O'Shea was willing to insert some other words in his amendment.

Hon. T. J. O'SHEA: Yes, I would suggest inserting the words "steel rails, angle iron, T iron, and girders."

HON. B. FAHEY: What capital would the Government require to start these works? He thought the Minister had told them that they would require £5,000.

The SECRETARY FOR MINES: That was quite a misunderstanding. They could erect a small cupola furnace at Biggenden or in the vicinity of Biggenden to smelt pig iron and produce 30 tons or 40 tons of pig iron per day for an expenditure of about £2,000; but the Government did not want to be limited to anything like £5,000.

HON. B. FAHEY: He confessed that he commiserated the Minister very much. The hon. gentleman represented a Government who, during the whole of the time they had been in office, had sent two good Bills to the Council. One was the Bill that escaped the canine teeth of that House very narrowly that afternoon. They had now before them one of the most valuable Bills that had ever come before the Council, and the destructive element in the House was positively wrecking it. He thought that was a shame. They proposed to curtail the power of the Government. Why should they do anything of the kind? The Government had given evidence to the public of the good use they made of the power they had got, and when that House did not give them power they took it —(laughter)—and made good use of it. This Bill was intended to enable them to manufacture everything, salvation excluded. Under the Bill the Government could do everything, and they should be allowed to do so. He would not give any Government, and especially the present Government, unlimited power; but unless they gave the Government unlimited power, how could they make a success of this venture? The rich mineral deposits of the country should be developed for the benefit of the country, and if hon. members curtailed the powers of the Government in the matter, how could they develop those resources? The idea embodied in the

Bill was one of the best ideas that had ever occurred to the Government in the country's interests since they had been in power. They took to themselves the power to expend £750,000 in the purchase of small things like cattle stations, but here was an enterprise that might bring in millions of profit every year, and members of that House were preventing the Government from doing that. He repeated that he commiserated the Minister on the treatment he has received from some hon. gentlemen, because he knew the hon. gentleman had his heart in this venture, but he had enemies on that side who should be more benevolently inclined towards him.

HON. C. F. MARKS: There was one word in the amendment which he thought should be omitted, and that was the word "processes." On the second reading of the Bill he mentioned that a necessary factor in the success of this enterprise would be the starting of cokeworks. If they established coke ovens, they must use the distillation process in order to obtain the by-products, and the amendment would cut that out. He thought that the better way to amend the Bill would be by limiting the amount of money the Government might expend.

HON. F. T. BRENTNALL: The majority of hon. members contended that the enterprise should be limited to the making of coke and the erection of smelters for the manufacture of iron and steel, but the clause went a long way beyond that. Pig iron had a long way to go before it became first-class steel, and a great deal of money had to be expended upon it. There had been hundreds, if not thousands, of tests in connection with the manufacture of steel, and big fortunes had been made and big fortunes lost in the process. This was not a small trifling business like opening a hardware shop. Why had not wealthy individuals started an enterprise of this kind?

Hon. R. BEDFORD: They have.

HON. F. T. BRENTNALL: He was quite aware of what had been done, but until a very large works were established at Newcastle there was no provision made in all Australia for the production of iron and steel goods on a large scale.

Hon. R. BEDFORD: Yes, by Hoskins and Sandford, of Lithgow.

HON. F. T. BRENTNALL: He was glad to hear that. Wealthy people had not gone into this business, and the erection of such works as those contemplated by the Government could not be carried out on Government debentures at 4½ per cent. Cash would be wanted for the business, and where was the cash going to come from? If the Government had asked for a reasonable amount of money for the erection of smelters for the production of iron, he did not suppose that any hon. member would have objected to the proposal. It had not been proved in any part of Australia up to the present that the cost of raw material, the getting of the metals out of the earth, was such as to make the enterprise a payable one, and it had not been demonstrated that this enterprise was going to be a paying concern. Those things were simple matters of common sense, and they must get down from the highest lines of idealism of what the future of the industry was going to be to the solid facts, the fundamental bases, and see where they were. He took it that there was nothing whatever practical in the Bill at all, because they were not in the position to put the necessary money into it.

Hon. R. BEDFORD: Because you do not know anything about it.

HON. F. T. BRENTNALL: He did not know where they were going to get the money from. The world was using all the available money in the manufacture of iron products—very largely munitions of war, steel rails, wagons, tanks, and that sort of thing.

Hon. R. BEDFORD: Jew's harps. (Laughter.)

HON. F. T. BRENTNALL: The hon. member might shout at him until his throat was sore, but it would make no difference to his opinion or his line of argument or his standing there to express his opinion, and so the hon. member might as well keep quiet. (Hear, hear!) He never interrupted the hon. member.

Hon. R. BEDFORD: I only said you did not understand.

HON. F. T. BRENTNALL: He gave every man fair play, and he wanted to be treated with fair play himself, and he did not want anybody's rudeness brought there to insult or annoy him.

Hon. R. BEDFORD: You insulted me the first day I was in the House.

HON. F. T. BRENTNALL: He did not think the State of Queensland was ready for a thing of that kind. When they considered what they had been paying for some of their industrial enterprises, was it practicable or sensible, was it righteous or just to go speculating in an affair like that?

HON. G. S. CURTIS: He agreed with the sentiments of the last speaker. The probabilities were that the whole thing would result in loss, and they must ask themselves the question: who was going to make it good?

HONOURABLE MEMBERS: We are—the people.

HON. G. S. CURTIS: The general community were not being asked to put their hands in their pockets to make up the losses incurred by the Government at the present time. It was just a mere handful of the people of Queensland, some 24,000 persons altogether, who were being asked to make good the deficiency caused by the extravagance of the Government.

The CHAIRMAN: Order! I would like to call the hon. member's attention to the question before the Committee, which is the omission, in lines 12 to 14, of the following words:—

> "with all or any associated trades, processes, industries, or enterprises."

I hope the hon. member will confine himself to that amendment.

HON. G. S. CURTIS: He was in favour of the amendment suggested by the Hon. Mr. Hawthorn that the operations of the Government should be strictly limited, but they should not lose sight of the danger of the probability that the project even if it were restricted would result in a loss and that a few persons would be asked to make good that loss. It simply meant that if the Government remained in office, those who paid the income tax and the land tax would be simply taxed out of existence. Their properties would be worth nothing. That would only be in harmony with the Labour

socialistic party. (Hear, hear! and laughter.) Hon. members confirmed the accuracy of the statement that the Government regarded with disfavour the private ownership of any property. If, by undertaking a State enterprise of that kind, they incurred a loss to a certain extent, they achieved something in the direction of their goal, the confiscation by taxation of private property. Private enterprise had undertaken the industry in New South Wales and so far it had not been profitable. It would be well for them to wait and see the result.

The SECRETARY FOR MINES: Dr. Marks had raised a very important point, because no doubt, coke would be the first step towards the establishment of the industry, and if they could not utilise by-products there would be a loss on the process of coke making. He would prefer the clause as it was, because he thought it was fair, but if it were to be amended he thought it would be better that it should read—

> "Subject to this Act, the Minister representing the Crown is hereby authorised and empowered to establish, undertake, maintain, and carry on the business of searching for, mining, getting, winning, reducing, and smelting iron and iron ores, and any other metal, mineral, earth, ore, or products used or for use in such business, and the manufacture and production of coke with all associated processes, iron and steel,——"

And then would follow the Hon. Mr. O'Shea's amendment.

Hon. T. J. O'SHEA: I think that is an advantage.

Hon. E. W. H. FOWLES: We put "coke" into your own Bill.

The SECRETARY FOR MINES: He thought it was an amendment in the right direction and he was grateful to the hon. member for making the Bill better. Surely the Hon. Mr. Hawthorn would not limit the business to coke making, exclusive of the associated processes?

HON. A. G. C. HAWTHORN: He submitted that the first part of the clause gave the Government power to undertake processes associated with coke. The other portion of the clause, however, gave very much wider powers. In the first part of the clause they had the power of—

> "Searching for, mining, getting, winning, reducing, and smelting iron and iron ores, and any metal, mineral, earth, ore, or product used or for use in such business——"

The SECRETARY FOR MINES: The manufacture of coke would produce ammonia, gas, and tar.

HON. A. G. C. HAWTHORN: That was all part of the reducing and smelting. He had no objection to those few words going in after the word "coke," but he certainly did object to the large powers included in the words he proposed to omit.

Amendment agreed to.

HON. T. J. O'SHEA: In order to allay any doubt the Minister might have—although he himself had none—he would ask the permission of the Committee to allow him to insert the words "with all associated processes" after the word "coke."

The SECRETARY FOR MINES: You cannot go back.

HON. T. J. O'SHEA: With the consent of the Committee they could do anything.

The SECRETARY FOR MINES: He had given further consideration to it, and if necessary would recommit the clause. He took it that if he did so hon. members would agree to give him that amendment.

HON. T. J. O'SHEA: Certainly.

HON. T. J. O'SHEA moved the omission, on lines 14, 15, and 16, of the words—

> "and the manufacture, preparation, and production of chattels, articles, and things composed wholly or in part of iron and steel,"

with a view to inserting the words—

> "steel rails, angle iron, bar iron, girders, plates, and such other articles as the Governor in Council by Order in Council may from time to time, upon the passing of a resolution by both Houses of Parliament, approve."

That amendment was exactly on the lines of an amendment approved of by the Council in the State Produce Agency Bill only a week or two ago. It would not in any way curtail the business to be carried on, except that, if the Government wanted to go outside the ordinary coke, iron, and steel business, including such things as steel rails, angle iron, bar iron, girders, plates, etc., they must get the approval of both Houses of Parliament by resolution, which could be done in half an hour. The principle was a sound one.

Amendment agreed to.

HON. T. J. O'SHEA moved the omission, on lines 28, 29, and 30, of paragraph (i.)—

> "The Minister shall have and may exercise all the powers, privileges, rights, and remedies of the Crown."

If that was not making Royalty of the Minister he did not know what was, and he did not see any use for such a provision. It could have no possible effect except to make the Minister the Governor in Council for the time being, and that was not wise.

Hon. P. J. LEAHY: The Minister is not the Crown.

HON. T. J. O'SHEA: No, and the Bill should not seek to make him.

HON. P. J. LEAHY: He quite agreed with the omission of those words, but he thought the hon. gentleman might go a great deal further. Under subparagraph (ii.) the Minister had power "to take, purchase, contract for the use of," etc.

Hon. T. J. O'SHEA: The Hon. Mr. Hawthorn has an amendment on that.

The SECRETARY FOR MINES pointed out that under the Insurance Act of 1916 the Commissioner had a similar power, and surely a Minister of the Crown should have equal power to that given to the Insurance Commissioner or any other commissioner. The Insurance Act contained a section reading as follows:—

> "For all the purposes of this Act the Commissioner shall have and exercise all the powers, privileges, rights, and remedies of the Crown."

Surely the Commissioner under the Insurance Act should not have greater power than the Committee were willing to give to the Minister.

Hon. T. J. O'SHEA: The Commissioner there is a corporation.

Hon. P. J. LEAHY: Like the Railway Commissioner.

The SECRETARY FOR MINES: The Railway Commissioner came under a special Act.

Hon. P. J. LEAHY: Does not paragraph (ii.) give all the powers required?

Amendment agreed to.

HON. A. G. C. HAWTHORN moved the insertion, after line 37, of the following words:—

"for or in connection with the carrying out of the objects set out in subsection (1) of section (3) of this Act."

That was strictly to limit the power of the Minister to the powers given to him under clause 3, subclause (1).

Amendment agreed to.

HON. A. G. C. HAWTHORN moved the insertion of a similar amendment after line 46.

HON. P. J. LEAHY: It seemed to him that the clause, even with that addition, would be too wide. It would be wider than the powers set out in subclause (1). Paragraph (iii.) read—

"He may take, purchase, contract for the use of or otherwise acquire, or provide and construct and erect buildings, structures, smelters, factories, foundries, warehouses, wharves plant, equipment, machinery, tramways, ships."

There was nothing about ships in subclause (1), so, really, they were going beyond the powers given in subclause (1).

The SECRETARY FOR MINES: We may construct ships.

HON. P. J. LEAHY: The Government had not that power under subclause (1). The Committee had restricted the powers to certain things in subclause (1), and to be consistent they should not in any other clause give the Government any further powers. For that reason he would suggest that, before the Hon. Mr. Hawthorn's amendment was put, the Committee should delete certain words in an earlier part of the clause.

HON. A. G. C. HAWTHORN: It seemed quite feasible that the Government in carrying on the business might require a ship or two. If they established hydro-electric works in connection with the Barron Falls and were obtaining ore from Biggenden and elsewhere in the South, they would want to take the ore by water to Cairns, and it might pay them better to have a ship of their own.

Amendment agreed to.

HON. T. J. O'SHEA: Paragraph (v.) provided that the price or compensation payable in respect of all lands or works required by the Minister under the Act might,

[7.30 p.m.] at the option of the Minister, "be paid for in cash from the consolidated revenue fund, or in cash the proceeds of the sale of debentures or wholly or in part by the issue to the owner of debentures." There was no limitation in the paragraph to the value of the debentures, and the value of debentures depended absolutely on the rate of interest paid. If the Crown were going to acquire any property, they should pay for it either in cash or the equivalent of cash, and therefore it was only fair that the owner of the property should have the option of saying whether he should be paid in cash or in debentures. As a preliminary amendment, he moved the omission, on lines 3 and 4, page 3, of the words "at the option of the Minister." He would follow that up by an amendment giving the owner of the property an option in the matter.

HON. P. J. LEAHY thought that the object the Hon. Mr. O'Shea had in view would be better attained by omitting the words "or wholly or in part by the issue to the owner of debentures." That would permit the Government to pay cash, or to sell debentures and pay the owner in cash. Of course, if the latter was prepared to take debentures, there was no law to stop him doing so.

HON. T. J. O'SHEA: The suggestion of the Hon. Mr. Leahy was an improvement on the amendment he had intended to propose, and he would accept it. He therefore moved the omission, on lines 6, 7, and 8, of the words "or wholly or in part by the issue to the owner of debentures.

The SECRETARY FOR MINES: He understood the hon. member wished to protect the owner somewhat in the case of a compulsory purchase.

Hon. T. J. O'SHEA: Yes.

The SECRETARY FOR MINES: So long as the amendment would not prevent the Government paying by debentures if the owner were willing to accept debentures, he was willing to accept the amendment.

Hon. P. J. LEAHY: The amendment will not prevent you from paying the owner in debentures if he is willing to take them.

Amendment agreed to.

HON. A. G. C. HAWTHORN moved the insertion, after line 41, page 3, of the following:—

"The general manager of the business carried on under this Act shall be a certified civil engineer of not less than ten years' standing."

He wanted to insure that the works would be started under perfectly good auspices.

Hon. P. J. LEAHY: Paragraph (vi.) does not mention a "general manager." It mentions "managers."

The SECRETARY FOR MINES: You could make your amendment read, "A general manager shall be appointed, and he shall be a certified civil engineer of not less than ten years' standing."

HON. A. G. C. HAWTHORN: If there was any doubt on the subject, he was quite prepared to accept the suggestion of the Minister. The general manager in charge of the whole business should be a civil engineer with at least ten years' experience. He did not think anybody but a civil engineer would start to carry on such a business properly, and, unless the thing was started on proper lines, it was going to be a failure. The inception of a business of that kind was the most important part of it. Once it had a good start, it was an easy matter to run it.

HON. R. BEDFORD: He sympathised with the Hon. Mr. Hawthorn's manifest anxiety that only the best man obtainable should be in charge of such a great proposition; but he would point out that in other places the head of each department was absolutely the best man they could get at his game. For instance, he took it they would try to get the best man they could for the coke works.

Hon. A. G. C. HAWTHORN: He would be a manager.

HON. R. BEDFORD: He would be a manager, but in a business of that kind they found that men with great technical ability were required for the several departments, with one man in supreme control.

HON. A. G. C. HAWTHORN: He thought it would be found that in all these big works there was a civil engineer in charge. The man they intended to put in charge at Blythe River, Mr. Darby, was a civil engineer. The man in charge at Broken Hill was a civil engineer, and his experience was that in all big engineering works a civil engineer of standing was in charge. He would like to hear what was the opinion of the Minister on this point.

The SECRETARY FOR MINES: He had no great objection to the amendment, so far as he was personally concerned. He was sure that the hon. gentleman had moved the amendment with the object of improving the Bill, but he thought the Minister might be trusted to appoint managers, workmen, engineers, and servants who were competent men. If he did not appoint competent men, he had better not start out on the business. There was a good deal in the Hon. Mr. Hawthorn's argument that most of the men at Broken Hill were civil engineers of high standing, but it did not follow that the general manager should be a civil engineer. As far as the present Government were concerned, he could assure the Committee that competent men would be appointed, as they recognised that competency was the first consideration in appointing a man to such a responsible position.

HON. P. J. LEAHY: If the Hon. Mr. Hawthorn's amendment was passed it did not necessarily follow that a general manager would be appointed, because the section said that "The Minister may appoint managers, engineers, agents, workmen, and servants." If they had a general manager it should be provided that the Minister "shall" appoint a civil engineer possessing certain qualifications, but he thought they might leave it to the Minister whether he would have a general manager or not. The Hon. Mr. Crampton had suggested that a politician might be appointed. That was quite on the cards, as there were several politicians who thought they had sufficient knowledge to take a position of this kind, but he did not think they should give any Government the opportunity to appoint a politician to such a position. This was not a new limitation with regard to such appointments. They made a similar limitation with regard to the appointment of a Commissioner for the Savings Bank.

An HONOURABLE MEMBER: We did not insist upon that.

HON. P. J. LEAHY: He was very sorry that they did not insist upon it, because the very least they should do in such cases was to insist that the manager should have the fullest possible experience and qualifications.

HON. T. NEVITT: If the amendment were carried it would have a tendency to cripple the Minister, because while a civil engineer would, no doubt, be necessary in the initial stages of the work in order to supervise the laying down of the plant so that it could be worked in the most economical manner, yet it might be found that afterwards a metallurgical engineer would be the best person to appoint as general manager, and the amendment would prevent the Government appointing a metallurgical engineer. It was not always the man who possessed the qualifications of a metallurgical engineer or a civil engineer who had the best organising ability. The Commissioner for Railways was not a civil engineer, and yet he was appointed to manage property of the value of nearly £40,000,000. A business man might be a better man than a metallurgical engineer or a civil engineer for the position of general manager, and if the amendment were agreed to the Minister might be prevented from getting hold of the best man available for the position, and thus interfere with his efforts to carry the business to a successful issue.

HON. T. M. HALL: The Hon. Mr. Nevitt had anticipated what he was going to say, and that was that the amendment would restrict the Minister to the appointment of a civil engineer. The work of erecting the furnaces and plant would, no doubt, be done by a civil engineer, but after that it might be found that a thoroughly sound business man was required for the position of general manager, and the amendment would prevent the appointment of such a person.

The SECRETARY FOR MINES: He would be willing to accept the amendment if the hon. gentleman would alter it so as to make it read—

> "The general manager employed in the construction of the work to be carried out under this Act shall be a certified civil engineer of not less than ten years' standing."

They would probably only require a civil engineer for the construction of the works. The general manager might be a metallurgical engineer or a mining engineer. At any rate, the Government would not employ a man who was likely to make a failure of the work. The best person to appoint as manager might be a metallurgical engineer with good organising ability, but the Government would not be foolish enough to start the works without employing a qualified man.

HON. A. G. C. HAWTHORN: He would accept the amendment suggested by the Minister.

HON. R. BEDFORD: He would like to know if the Minister would add these words—

> "and all things being equal an Australian engineer shall have preference."

HON. A. G. C. HAWTHORN: He was quite prepared to adopt the Minister's suggestion, and he, therefore, asked leave to withdraw the amendment. He felt that after the discussion the Minister would be seized of the necessity to pay attention to the wishes of the Council, and would recognise that at the outset the most necessary feature would be to have a good man to construct the works.

[3 p.m.]

HON. R. BEDFORD desired to withdraw the suggestion he made with reference to preference to an Australian engineer. He thought they could generally rely on the good sense of the Government to know that the Australian was a better man than the the imported man.

Amendment (*Mr. Hawthorn's*), by leave, withdrawn.

HON. A. G. C. HAWTHORN moved the insertion of the following words, after line 41, page 3—

> "The manager employed in the construction of the works under this Act shall be a qualified engineer of not less than ten years' standing."

Amendment agreed to.

HON. A. G. C. HAWTHORN moved the omission of the words "in all its branches" in lines 43 and 44, page 3, subclause (vii.), with a view to inserting—

> "in conformity with the provisions of subsection one of section three of this Act."

HON. R. BEDFORD: The amendment was quite unnecessary and would hamper the general working of the Act. What particular branch of mining was it proposed to exclude?

Hon. A. G. C. HAWTHORN: They do not want to go in for goldmining, do they?

HON. R. BEDFORD: No. It was a business of mining for industrial metals. They did not want to mine for gold or diamonds or sapphires. He suggested the alteration of the clause to read to the effect that the Government might—

> "open and work mines and generally carry on the business of mining for industrial metals and the necessary fluxes and fuels in all its branches."

Industrial metals were necessary. How were they going to do without fluxes? Manganese, for instance, was an industrial metal. There were also the tungstens.

HON. A. G. C. HAWTHORN: His amendment referred to the beginning of the clause, under which the Minister was authorised and empowered to carry on the buisness of—

> "searching for, mining getting, winning, reducing, and smelting, iron and iron ores, and any metal, mineral, earth, ore, or product used or for use in such business."

What did they want apart from that? The amendment simply said that the Minister must carry on mining in conformity with that section. Anything that was of use in such a business could be mined under it.

HON. I. PEREL agreed with the Hon. Mr. Hawthorn. He really wished to limit the action of the Government to one thing—the production of iron and everything pertaining to it. If they wanted wolfram or molybdenite, they could get it, but the hon. member wanted—and he thought he was justified—to prevent the Government from going in for tin or any other substance.

The SECRETARY FOR MINES: He held that all metals, until they were leased by the Crown or given away in some other way, belonged to the Crown, and there was nothing in any Act to prevent the Government at the present time from mining for wolfram in the Bamford district, for instance, and sending it away.

Hon. T. J. O'SHEA: The Supreme Court says there is.

The SECRETARY FOR MINES: He doubted it. He doubted the hon. member's authority, because at one time it was thought that the holder of a mining lease could mine for any kind of mineral, but they had had an opinion that he could only mine for the mineral specified in his lease.

Hon. T. J. O'SHEA: You cannot spend money on the labour without authority.

The SECRETARY FOR MINES: They could take up a mining lease and work it through an officer of the department. He thought the clause gave them the power to mine for the metals that they required. They certainly must have the power to mine for manganese and all the necessary fluxes.

HON. P. J. LEAHY: He was sure that Minister's remarks were interesting, but, if he were correct, there was no occasion for the paragraph.

Hon. W. STEPHENS: Nor for the Bill.

HON. P. J. LEAHY: He would not go so far as that, but he would suggest to the Minister that he should accept the amendment, and also, recognising how anxious some hon. members were to finish business, that he might help to do so, in order that they might adjourn early.

Amendment agreed to.

HON. T. J. O'SHEA moved the insertion, in line 51, of the words "in conformity with this Act." The clause would then read—

> "He may enter into and enforce contracts and engagements in conformity with this Act."

Amendment agreed to.

HON. T. J. O'SHEA moved the insertion, after line 56, of the words "carried on, owned, or employed under the provisions of this Act."

Amendment agreed to.

Clause, as amended, put and passed.

On clause 4—"*Setting apart Crown lands*"—

HON. T. J. O'SHEA moved the omission, on line 5, after the word "product," of the word "or." That word qualified the preceding words, and the amendment would restrict the Bill to the establishment of coke, iron, and steel works.

HON. E. W. H. FOWLES: If the hon. gentleman read the clause once more he would find that it was all right. The two classes of lands which would be required were, firstly, land which contained minerals, and, secondly, lands which might be wanted for wharves or tramways.

HON. P. J. LEAHY: It was a bit difficult to understand, but he thought the Hon. Mr. Fowles was right. To make the matter absolutely clear he would suggest that the Hon. Mr. O'Shea withdraw his amendment, in order to allow him to move the insertion after the second "or" on line 5, of the words "any unalienated Crown lands."

HON. T. J. O'SHEA, by leave, withdrew his amendment.

HON. P. J. LEAHY moved the insertion, on line 5, of the words "any unalienated Crown lands."

Amendment agreed to.

Clause, as amended, put and passed.

On clause 5—"*Exemption from rating*"—

HON. P. J. LEAHY: The clause read—

> "Land for the time being vested in the Minister or occupied by him for the purpose of carrying on business under this Act shall not be deemed to be rateable land within the meaning of the Local Authorities Acts, 1902-1913."

Was it a fair thing to exempt those lands from local authority taxation? The Government were buying cattle stations and sawmills and lands connected with them, and were not paying anything to the local

authorities for the upkeep of the roads. Was that a fair thing? If there was any profit made out of those undertakings, the whole of Queensland got the benefit and not the particular district.

Hon. R. BEDFORD: The iron and steel works will help a district.

HON. P. J. LEAHY: If that thing was permitted, there might be any number of those undertakings, and the farmers struggling along in the district would have to pay for upkeep of the roads, and the Government would come along and cut up the roads with their traffic. Why should those lands be specially exempt from local authority taxes? Why not make the Government pay the same rates as other people? The struggling farmer who was being crushed out by land taxation and other impositions would have to find the money to maintain the roads for the Government. It was monstrous.

HON. G. S. CURTIS: The contention of the Hon. Mr. Leahy was correct. There would be a very large amount of traffic in connection with those works, and the roads would be cut up, especially in wet weather, and it would be very unfair if the local authorities were deprived of the right to rate those lands.

HON. A. G. C. HAWTHORN: He did not know that it was a good thing to allow the Government to escape paying rates, but he did not think that was the proper place to rectify it. They should wait till they were amending the Local Authorities Act, and then make all Government property liable for rates.

Hon. P. J. LEAHY: When are we going to get that?

HON. A. G. C. HAWTHORN: As soon as the Liberal Government came in next May or June, and he was sure, when that time came, the Hon. Mr. Leahy would help him to try and get an amendment to that effect.

HON. P. J. LEAHY: While still holding as strongly as ever all the opinions he had previously expressed, for the reasons given by the Hon. Mr. Hawthorn—that the hour of deliverance was close at hand—he would not move an amendment. (Laughter.)

Clause put and passed.

On clause 6—"*Fund*"—

HON. T. J. O'SHEA moved the insertion, after the word "correctness" on line 41, of the words "or otherwise." The clause read—

> "The Minister shall annually, within three months after the close of each financial year, cause accounts and balance-sheets to be prepared in respect of each business carried on under this Act, and shall under his hand certify to the best of his belief the correctness of same."

If the accounts were not correct why should the Minister be compelled to certify that they were correct?

[8.30 p.m.]

HON. P. J. LEAHY: He thought it would be better to make the clause read "And shall, if the accounts are correct, certify under his hand to the correctness of the same."

Hon. T. J. O'SHEA: Why should he certify to their correctness if they are not correct?

HON. P. J. LEAHY: If the Hon. Mr. O'Shea preferred it his way, he would not press it.

Amendment agreed to.

Clause 6, as amended, put and passed.

On clause 7—"*Protection of Minister and employees from personal liability*"—

HON. T. J. O'SHEA moved the insertion, after the word "person," on line 5, page 5, in subclause (2), of the words "acting under this Act." If those words were not inserted it would apply to the whole community, which was not intended.

Amendment agreed to.

HON. T. J. O'SHEA moved the insertion, on line 12, after the word "not," of the words "Without the leave of the court." The paragraph read—

> "On the trial of any such action the plaintiff shall not be permitted to go into evidence of any cause of action which is not stated in the notice so served."

He took it that the courts would always act justly, and reflections on them were bad in principle. The more the courts were trusted the better results were obtained.

Amendment agreed to.

HON. T. J. O'SHEA moved the omission, on lines 15 and 16, of the words, "Unless such notice is proved, the court shall find for the defendant." That was a further limit on courts of which he did not approve.

Amendment agreed to.

HON. E. W. H. FOWLES: The Minister might very well accept all the other amendments except the last one in Hon. Mr. Hawthorn's name and the last in Hon. Mr. O'Shea's list. All the others were non-contentious.

Hon. T. J. O'SHEA: He is doing very well.

Clause 7, as amended, put and passed.

On clause 8—"*Power to extend operation of Act*"—

HON. T. J. O'SHEA thought the clause should be deleted. It clashed with several amendments that had already been made, and therefore its omission was purely consequential.

The SECRETARY FOR MINES recognised that the omission of the clause was consequential on amendments made in previous clauses, and therefore it would be better to negative it.

Clause put and negatived.

On clause 9—"*Ratification*"—

HON. A. G. C. HAWTHORN moved the insertion, on line 41, after the word "any," of the words, "coke, iron, and steel works." The clause would then read—

> "All expenditure of money by any Minister of the Crown or any State department or State officer in respect of any coke, iron, and steel works business to which this Act may apply or which is lawfully carried on, is hereby approved, ratified, and confirmed."

That would confine the clause to expenditure connected with the objects of the Act.

HON. E. W. H. FOWLES said that the words "All expenditure of money" would apply to all expenditure past, present, and future. He thought it should be confined to past expenditure: but the best thing to do would be to omit the clause.

HON. P. J. LEAHY: He was entirely opposed to the clause. There was a distinction between unforeseen expenditure and

unauthorised expenditure. No doubt, expenditure under the clause would be unforeseen expenditure, which meant expenditure necessary in consequence of the parliamentary vote being exhausted, and would include such things as wages. If the clause were passed, even with the Hon. Mr. Hawthorn's amendment, he questioned very much whether any money required for carrying out the Act would need to be put on the Estimates at all. The clause was altogether unnecessary, and should be deleted.

HON. A. G. C. HAWTHORN: He took it that the clause was intended to ratify the expenditure of money before the Act came into force. They might limit it by making it read, "All expenditure of money hitherto incurred by any Minister of the Crown," and so on.

Hon. P. J. LEAHY: Why not say, "incurred prior to the passing of this Act?"

HON. A. G. C. HAWTHORN: If the clause were not intended to apply to expenditure already incurred, there was no need for it at all. He would like to know if there had been any expenditure incurred up to the present.

The SECRETARY FOR MINES: There had been very little expenditure so far, but he would like to pay the geologist, who had been appointed as from 1st July last, from the money authorised to be expended under the Act. Including the salary of the geologist and labour, the expenditure had been less than £300 to date.

Hon. P. J. LEAHY: What was this clause intended for?

The SECRETARY FOR MINES: It was intended to enable the Minister to create an account out of which to defray everything that had been spent in connection with the undertaking.

Hon. P. J. LEAHY: But this clause gives a general power for all time; that is the objection to it.

The SECRETARY FOR MINES: It was just the usual thing.

Hon. P. J. LEAHY: But there is no limit at all. You can do what you like under the clause.

HON. A. G. C. HAWTHORN: With the permission of the Committee, he would withdraw his amendment for the present with a view to inserting an amendment in the earlier part of the clause.

Amendment, by leave, withdrawn.

HON. A. G. C. HAWTHORN moved that, after the word "money" on line 39, there be inserted the words "incurred prior to the passing of this Act."

Amendment agreed to.

HON. A. G. C. HAWTHORN moved that, after the word "any" in line 41, there be inserted the words "coke, iron, and steel works."

HON. E. W. H. FOWLES: He submitted that they should also delete the word "business" in line 41.

Amendment agreed to.

HON. A. G. C. HAWTHORN moved that the word "business" on line 41 be omitted.

Amendment agreed to.

HON. A. G. C. HAWTHORN moved that the words "or which is lawfully carried on" on lines 41 and 42 be omitted. Those words were merely surplusage.

The SECRETARY FOR MINES: He did not think there was any reason why they should omit those words.

Hon. T. J. O'SHEA: They may apply to another business altogether if you leave those words in.

The SECRETARY FOR MINES: Oh, no!

Hon. T. J. O'SHEA: Strike them out.

HON. A. G. C. HAWTHORN: He did not think it mattered one way or the other whether the words were omitted or retained, but, if the Minister desired to have the words in the clause, he would not press the amendment.

HON. P. J. LEAHY: The words "or which is lawfully carried on" could be construed as having no connection at all with coke, iron, and steel works, but as having reference to some other business.

HON. R. BEDFORD: He did not agree with the contention of the Hon. Mr. O'Shea that the words in question might be construed as applying to some other business. The clause as amended read "any coke, iron, and steel works to which this Act may apply or which is lawfully carried on," so that hon. members who thought that this was a dragnet clause under which some other business might be brought under the operation of the measure were perfectly wrong.

Question—That the words proposed to be omitted (*Mr. Hawthorn's amendment*) stand part of the clause—put; and the Committee divided:—

CONTENTS, 17.

Hon. R. Bedford	Hon. H. C. Jones
,, C. Campbell	,, H. Llewelyn
,, F. Courtice	,, L. McDonald
,, W. R. Crampton	,, T. Nevitt
,, W. H. Demaine	,, G. Page-Hanify
,, A. Dunn	,, I. Perel
,, B. Fahey	,, E. B. Purnell
,, T. M. Hall	,, W. J. Riordan
,, A. J. Jones	

Teller: Hon. R. Bedford.

NOT-CONTENTS, 16.

Hon. J. Cowlishaw	Hon. C. F. Marks
,, G. S. Curtis	,, E. D. Miles
,, A. A. Davey	,, C. F. Nielson
,, E. W. H. Fowles	,, T. J. O'Shea
,, A. Gibson	,, A. H. Parnell
,, H. L. Groom	,, W. Stephens
,, J. Hodel	,, H. Turner
,, P. J. Leahy	,, A. H. Whittingham

Teller: Hon. H. L. Groom.

Resolved in the affirmative.

In division,

HON. A. G. C. HAWTHORN said he would like to understand what was the position before he voted on the question. He had suggested that he should withdraw his amendment, as he saw no reason for pressing it, and he understood that the Hon. Mr. Leahy had proposed the amendment in his stead.

Hon. P. J. LEAHY: Oh, no; I was supporting you.

HON. A. G. C. HAWTHORN: Under the circumstances, he would not vote at all.

Clause, as amended, put and passed.

On clause 10—"*Payment out of consolidated revenue if necessary*"—

HON. A. G. C. HAWTHORN moved the insertion, after the word "sum," in line 44, page 5, of the following words:—

> "not exceeding the sum of one hundred thousand pounds in the aggregate."

He did that advisedly, because he thought it would be a mistake to give the Government unlimited power to spend money within the next few months. The main thing they wanted to do was to see that the iron ore was proved thoroughly. They wanted to see where the big quantities were, and where it was best to put testing stations. He understood that £30,000 would put down smelters at Maryborough, and about £20,000 would erect coke ovens at Ipswich. That was £50,000, and he had given the Government a margin of £50,000 on which to come and go during the next six months. By the time that money was expended the House would be again in session, and, if the Government had any further programme with which they could confidently come to the House, they would be able to give them more money. Their deposits would have been proved, and a certain amount of development work done, and the Government would be able to estimate what the cost of future working was going to be. The only estimate the Minister had given them was that of £550,000, based on the estimate made by Mr. Darby, who went into the question of the Blythe River Ironworks, where he estimated it would cost about £1,000,000. The Minister knocked off about £90,000 for steamers and other items for railways and so on, and so arrived at his estimate. He did not think it was wise to "go blind"; to give the Government unlimited power to spend money and find six months hence that £400,000 or £500,000 had been expended.

[9 p.m.]

The SECRETARY FOR MINES hoped the Committee would not limit the Government to £100,000. He thought it was quite unnecessary to place any restriction on the Government at all. The other day they had a railway before them costing £470,000. Surely the State could sacrifice 30 or 45 miles of railway in order to spend the money in an all-important industry such as the iron and steel industry. He appreciated the reception the Bill had got from the Council, and he did not think that the Hon. Mr. Hawthorn, in moving his amendment, was desirous of giving the Government anything but a fair opportunity to establish the works, but in his second reading speech he (Mr. Jones) gave a very modest estimate of the cost of establishing coke ovens, iron smelters, and plant for the manufacture of steel pipes and steel rails. That would run into something like £500,000, and £100,000 was a very small amount to grant. Parliament was meeting six months out of the year, and the Government were under the control of Parliament—both Houses.

Hon. T. J. O'SHEA: You do say some funny things. (Laughter.) What control have we got over the Ministry now?

The SECRETARY FOR MINES: He thought it would be impossible within the next three or four months to spend £100,000. He had been perfectly candid. The Hon. Mr. Hawthorn said that he had estimated that it would cost £20,000 to make coke ovens at Ipswich. That was a fair estimate. He also referred to the estimate of £30,000 for smelters at Biggenden.

Hon. P. J. LEAHY: Nobody questions your power to spend. (Laughter.)

The SECRETARY FOR MINES: They wanted at least £500,000. The Committee knew exactly what it was going to cost. Before they started out they knew it would take them all their time to establish iron and steel works for the cost of 30 or 45 miles of railway. It was worth every penny of it, but they knew they could not spend it in five or six months. They might come back to Parliament, and the Council might be in a different mood, and say, "Well, we are not going to vote you any money," and then the plant would be all scrap iron.

Hon. T. M. HALL: In six months you will be able to show us what you can do.

The SECRETARY FOR MINES: The Committee surely did not expect it to be profitable in that time? They knew now what they could do. They were thoroughly satisfied. He had told them about the quantity of the ore and the cost of working it, and they had a fair knowledge of what they could produce iron for profitably.

Hon. E. W. H. FOWLES: It would be wrong for us to tie the hands of a new Parliament.

Hon. A. DUNN: If the £100,000 is well spent, there will be no difficulty in getting more money.

The SECRETARY FOR MINES: Hon. members would admit that, when they passed a railway which they knew was going to cost £500,000, they did not limit expenditure to £100,000. They voted £500,000 right away. Certainly, the amendment was a better suggestion than that of the other House, which wanted to limit the Government to £10,000. That was absurd.

HON. P. J. LEAHY: He had had some idea that it might be necessary to go beyond £100,000, but, after hearing the Minister's speech, he was convinced that it would not be wise to give more. In the first place, he told them that if they gave but a small sum now, some future Parliament might not give the additional money the Government wanted. Evidently, the Minister wanted them to give sufficient money so that they could go on, whether the result was satisfactory from time to time or not. They did not want to tie the hands of another Parliament, which they knew would come into existence shortly, whether there was another Government or not. The money they proposed to give would be quite sufficient to carry on the Government until next June or July. If they were then making a reasonable attempt at success, he had not the slightest doubt that both branches of the Legislature would give them more. The other argument that the Minister used was a comparison of this proposition to a railway. There was absolutely no ground for comparison whatever. In the case of a railway they knew it was not something of a speculative character. Railways did not run away, and the worst that could happen in regard to them was that they might not pay sufficient interest. Besides that, they acted on the very fullest information, but in the present case they were altogether in the dark. He sincerely hoped the venture would be successful—he did not know a single member who wished it to be anything but a

success—and, if he thought £100,000 was not enough, he would give more, but it was quite enough until a new Parliament had an opportunity of giving a further sum. In the dying hours of a Parliament, would it not be undemocratic to do something which would tie the hands of a future Parliament? That argument might not appeal to the Tory members opposite—(laughter)—but it appealed to him and to hon. members on that side.

HON. R. BEDFORD: Seeing that the Council was big-minded enough to take up such a great proposition as the iron and steel industry and look into it sympathetically, and that the general intention of the Council was that there should be iron and steel works established by the State, surely it was not too much to ask that they should not tie a string on to it, and a very short string at that. Before the Council could meet again very important construction works might have to be undertaken. Although it was possible the £100,000 proposed to be advanced to the Minister might not be all spent by that time, they knew very well that, when political parties changed, the usual thing was for the new-comer to say that he had no belief in anything that his predecessor did. Supposing a miracle happened and the weak and futile Opposition in another place got into power, it would be very easy for it to try and down all the good work the present Government had done. It was a man's business, and it was not too much to ask that they should not send a boy to do a man's job, and that they should not advance only 25 per cent. of the money actually necessary to establish the industry. Before ever the new Parliament met the constructional works that would have to be entered upon would probably be in full swing, and before anybody could make designs for big, permanent works they must be absolutely satisfied that the money end of it was right. Therefore he hoped the amendment would not be passed.

HON. A. G. C. HAWTHORN: The Minister had stated that the Committee would have no hesitation in passing a railway for £500,000. The two things were entirely different. Before they passed a railway proper plans and specifications were submitted; they knew the cost of construction, and they knew what the return was likely to be. After that a Select Committee was appointed which took evidence and satisfied themselves as to the position, and on the report of the committee the Council decided whether they would grant the money or not. Only the other day, because they were satisfied that the Many Peaks-New Cannindah Railway was not going to be a payable proposition, the Council threw it out. The position was entirely different. In the present case they had something submitted to them which was entirely supposititious. He would read part of the progress report of the Royal Commission appointed in June last by the Government to inquire into the iron and steel industry—

> "We the Commissioners appointed by His Majesty's Commission, bearing date the eighth day of June, 1917, to inquire into and report upon the advisableness of establishing State iron and steel works in the State of Queensland, beg now to furnish a progress report in accordance with the promise made in Your Excellency's Speech at the opening of Parliament on 9th July.
>
> "Your Commissioners were particularly asked to inquire into the following, namely—
>
> (1) Location, quantites, and suitability of iron ore deposits;
>
> (2) Location, quantities, and suitability of fuel supplies;
>
> (3) Most suitable site or sites for central works;
>
> (4) Primary cost of erecting and equipping such works.
>
> "Before your Commissioners can reply to these questions so far as they relate to the establishment of a complete iron and steel works a great deal of research work will have to be undertaken and much more information collected, which must take considerable time."

That was not going to be done in six months, and they were granting the Government £100,000 to go into the whole thing. The commission further said—

> "Owing no doubt to the fact that no previous Government has ever seriously considered the iron question, the data in possession of the Mines Department is incomplete regarding the raw material either as to quantities or suitability for the successful establishment of an iron industry. A geologist from the Government Geological Survey Department has now been deputed by the Minister for Mines to specalise in this work, and has entered upon his duties. The site for a central works can only be determined after locating the largest and most suitable deposits of ore, coal, fluxes, etc. Information must also be sought outside of the State concerning the cost of an up-to-date iron and steel works."

That commission had gone into the matter to a considerable extent, and that was their recommendation. They further said—

> "Sufficient evidence, however, has now been placed before your commission to justify them in coming to the following conclusions, namely:—
>
> (1) That all the essentials are in this State for the successful manufacture of pig iron;
>
> (2) That a complete plant for the manufacture of pig iron can be established at a cost not exceeding £5,000."

The SECRETARY FOR MINES: That is for an experimental plant.

HON. A. G. C. HAWTHORN: The whole thing was an experiment at the present time. The Committee were acting exceedingly generously to the Government in giving them £100,000 to go on with. If the Government came to them next year, and could show the possibilities of the iron industry, and that it was advisable to spend more money, the Council would willingly grant a further sum. In view of all the circumstances, the Committee would be doing wrong, at the present moment, if they granted more than £100,000.

HON. I. PEREL: He complimented the Hon. Mr. Hawthorn on the very lucid manner in which he had placed the position before the Council. He would like the Committee to be generous, and accede to the request of the Minister for a larger sum, but he had also listened to an optimist on that side of the House, the Hon. Mr. Bedford, and he must say that he would not

like to give that hon. gentleman all the money that he would like to spend in connection with the industry. The sum proposed by the Hon. Mr. Hawthorn seemed a very reasonable one, and he hoped the Minister would agree to it. The Council had treated the question very patriotically. He would like the Committee to grant a little more than the amount suggested by the Hon. Mr. Hawthorn, as the Minister said a larger sum would be required. Being in a little way of business himself, it appeared to him that £100,000 was a very fair sum to spend on an experiment. He was very favourably inclined towards the amendment, but he presumed, being a party man, that, if it went to a division, he would have to vote with the Minister. He hoped hon. members would not think he was trying to delude them in any shape or form when he said he had a little knowledge of the iron business. He was a working electrician, and had been engaged in turning iron and that sort of thing, and he was not going beyond his province when he said that in the iron and steel industry they had something that was going to be more to Queensland than all the gold that had ever been taken out of Queensland. They had a magnificent prospect in front of them; and such ore as it was! He had examined it, and talked to people about it, and the properties of that mineral were something beyond the dreams of scientists connected with the iron business. To show what a magnificent thing the iron ore was, he would point out that it contained properties equal to the finest Lancashire steel, which was so valuable that a stick of it the length and diameter of a lead pencil was honestly worth 1s. That steel could be used in the making of the finest tools known to the world. There was no steel in America equal to the Lancashire steel, and the properties in the sample of iron submitted by the Government showed that it was equal to the wonderful Lancashire steel. On top of that they got the magnetic qualities of the ore, which could be used in all modern engines. It would pay the country very well indeed to develop that wonderful industry, but he did not think the House would be justified in voting £500,000 at the present time. He did not want to see the Bill thrown out through asking for too much. It would be a splendid thing for the reputation of the Council if the industry proved to be a big success, as he was sure it would, if it was properly managed. He sincerely trusted that some amicable arrangement would be made, and that there would be no division, because he would like to vote for the amendment.

Hon. P. J. LEAHY: Why cannot you?

HON. I. PEREL: Because he was bound down by his party. He would not be doing wrong whichever way he voted, because it would be right to vote for £500,000, and it would be right to vote for £100,000.

The SECRETARY FOR MINES: There was no intention on the part of the Government to make any purchase of iron mines. It was not necessary for them to purchase any mines, as all the iron in the country belonged to the Government, [9.30 p.m.] with the exception of Iron Island and one or two mines in which the ores were used for fluxes. The reasonable thing to do was to take a fair estimate of the cost, which, as he said in his second reading speech, would be about £500,000 to establish iron and steel works of fairly large capacity.

Hon. T. J. O'SHEA: You cannot spend £100,000 in the next twelve months.

The SECRETARY FOR MINES: He hoped the Committee would not limit them to £100,000 when hon. members knew very well that the cost was going to £500,000.

Hon. C. F. MARKS: This is just on account.

The SECRETARY FOR MINES: Where were they to get the next amount from?

Hon. B. FAHEY: Sell some of your cattle stations.

The SECRETARY FOR MINES: The next Parliament might not regard the Act in the same friendly light as the present. There might be a change of Government in the next twelve months, and the new Government might not favour the Act at all. What was the good of a man starting to build a house that was to cost £500 if he only had £100?

Hon. C. F. MARKS: You know you will get the rest when you want it.

The SECRETARY FOR MINES: Then, what was wrong with leaving the clause as it was? He had expressed his appreciation of the way the Council had accepted the Bill, but he did not want to make any compromise at all on this matter, seeing that the works would cost at least £500,000. He quite admitted that probably they would not spend £50,000 during the next six months, or, perhaps, during the next twelve months.

Hon. A. G. C. HAWTHORN: We have dealt very generously with you.

Hon. P. J. LEAHY: You shouldn't try to bind the future.

HON. T. M. HALL: The Minister knew that there was scarcely an hon. member who was not entirely in sympathy with the development of the iron industry in the State. They realised that, if the hon. gentleman was able, by the expenditure of £100,000, to lay the foundations of the industry and to demonstrate its possibilities, he would have no difficulty whatever, so far as the Council was concerned, in getting whatever money he required to develop the industry. He thought the hon. gentleman would be wise in accepting £100,000, and in accepting the assurance of hon. members that there would be no objection to giving him any further sum that he required later to demonstrate the success of the industry.

Amendment agreed to.

Clause 10, as amended put and passed.

Clause 11—"*Regulations*"—

HON. T. J. O'SHEA moved the omission, on line 6, after the word "all," of the words "Proclamations, Orders in Council," etc. The amendment was consequential on an amendment made in clause 2.

Amendment agreed to.

HON. T. J. O'SHEA moved the addition to subclause (3) of the words "otherwise the same shall be of no effect." In other words, the mere publication of regulations should not make those regulations operative unless they were ratified by Parliament. If the amendment were not made, regulations might

be gazetted but never laid on the table of either House of Parliament. The amendment would make it obligatory that they should be laid on the table, otherwise they would be of no effect. The question had been thrashed out a dozen times before.

Amendment agreed to.

HON. T. J. O'SHEA moved the omission, on line 17, of the word "each," with a view to inserting the word "either." As it stood, the clause provided that regulations should be valid unless they were disallowed by the two Houses of Parliament. The amendment would make them invalid in the event of disallowance by either House of Parliament. The consent of both Houses was necessary before a Bill could become law, and in the same way the consent of both Houses of Parliament should be necessary before any regulations could have the force of law.

HON. R. BEDFORD objected to the amendment. The fact that hitherto regulations had to be approved of by both Houses of Parliament did not affect the principle. If either House had the right to dissent, one House could dissent to certain regulations and the other House could dissent to others, and it would lead to general confusion.

Hon. A. G. C. HAWTHORN: It has acted well in the past. Either House has the right of veto.

HON. R. BEDFORD: Here was a case in which the Council might be able to destroy absolutely the intentions of the Legislature.

Hon. A. G. C. HAWTHORN: So it should.

HON. R. BEDFORD: Why should it?

HON. P. J. LEAHY: It was quite clear that his hon. friend did not quite understand the practice in regard to that matter. Until the present Government came into power two years ago in every Bill that came to the Council a clause was inserted precisely the same as the clause under discussion would be when the Hon. Mr. O'Shea's amendment was agreed to. It was only right that either House of Parliament should have the power to disallow a regulation, because regulations were made by the Governor in Council. If both Houses of Parliament must consent to a Bill before it could become law, it was surely only right that the consent of both Houses should be obtained before regulations under any Act of Parliament could have the force of law. That was just what the amendment made provision for. There was no need to labour the question, because in connection with almost every Bill the Government had introduced since they came into office they had inserted a similar clause, and on every occasion the Council had turned it down, because it was wrong in principle.

Amendment agreed to.

HON. T. J. O'SHEA moved that, after the word "forty," on line 17, there be inserted the word "sitting." The necessity for this amendment was that the House might meet, pass, say, a Supply Bill, and hurriedly go into recess, and there might not be another opportunity of complying with this provision if the recess went over forty days. Therefore it was wise to adhere to the practice invariably followed, and make it forty sitting days.

Amendment agreed to.

HON. P. J. O'SHEA moved, as a consequential amendment, that the word "respectively," on line 19, be omitted.

Amendment agreed to.

HON. T. J. O'SHEA moved that the word "latest," on line 21, be omitted.

Amendment agreed to.

New clause 12—"*Limitation of business*"—

HON. T. J. O'SHEA moved that the following new clause be inserted after clause 11:—

"12. Nothing in this Act shall be construed or deemed to authorise—

"(i.) The carrying on of any business except—

(*a*) Cokeworks;

(*b*) Iron and steel works; and

(*c*) Mining for iron ore, and other ores necessary for the business of coke, iron, and steel works.

"(ii.) The acquisition of any property not bonâ fide required for the purpose of carrying on the businesses or any of them in this section hereinbefore mentioned."

Hon. E. W. H. FOWLES: That will prevent cattle being sugar.

HON. T. J. O'SHEA: Absolutely. There was no need to argue the question, as they had already thrashed it out thoroughly, and decided that the business to be carried on under the measure should be coke, iron, and steel works.

The SECRETARY FOR MINES: He thought this new clause was unnecessary. The amount of money to be expended had been limited to £100,000. Under a previous clause permission was given to run ships for carrying coke, etc., and this new clause would prevent the chartering of a ship to carry ore from the place of production to the place of manufacture.

New clause put and passed.

The Council resumed. The CHAIRMAN reported the Bill with amendments, and the report was adopted.

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

ADJOURNMENT.

The SECRETARY FOR MINES: I move—That the Council do now adjourn. I understand that the arrangement is to sit on Friday this week.

Hon. P. J. LEAHY: I understand there is no objection to sitting on Friday, but you can move that on Thursday, as you did last week.

The SECRETARY FOR MINES: Very well. The first business to-morrow will be the third reading of the State Iron and Steel Works Bill, to be followed by the resumption of the debate on the second reading of the Chillagoe and Etheridge Railways Bill, the resumption of the adjourned debate on the Land Tax Act Amendment Bill, the resumption of the debate on the second reading of the Income Tax Act Amendment Bill, the second reading of the Succession and Probate Duties Acts Amendment Bill, and the second reading of the Stamp Act Amendment Bill.

Question put and passed.

The Council adjourned at five minutes to 10 o'clock p.m.