

Queensland



Parliamentary Debates
[Hansard]

Legislative Council

THURSDAY, 29 NOVEMBER 1917

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LEGISLATIVE COUNCIL.

THURSDAY, 29 NOVEMBER, 1917.

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

MOUNT MOLLOY RAILWAY
EXTENSION.

PRESENTATION OF REPORT OF SELECT COMMITTEE.

The SECRETARY FOR MINES (Hon. A. J. Jones) presented the report of the Select Committee on the Mount Molloy Railway extension, and moved—That the paper be printed.

Question put and passed.

QUESTIONS.

SUCCESSION DUTIES COLLECTED ON ESTATES
OF PERSONS ON ACTIVE SERVICE.

HON. T. J. O'SHEA asked the Secretary for Mines—

"1. In how many cases have estate and succession duties been collected in Queensland on estates of persons who, during the present war, have died on active service, or as a result of injuries received, or disease contracted, on active service, with the military or naval forces of the Commonwealth, or any part of the King's dominions?

"2. What was the total amount of such duties so collected?"

The SECRETARY FOR MINES replied—

"1. Total number of estates of deceased soldiers assessed, 308; number exempt from duty under Succession and Probate Duties Acts and the amending Act of 1915 (Soldier Act), 224; number of estates upon which duty has been paid, 87.

"2. £19,812, made up as follows:—Estate valued at £172,881 paid £14,211; estate valued at £22,415 paid £2,467; and 85 estates paid £3,134. The generous exemptions were due to special legislation recently passed by the Government."

ALLEGED USE OF MOTOR-CARS BY GOVERNMENT
FOR DISTRIBUTION OF "HANSARD."

HON. T. M. HALL, in the absence of Hon. E. W. H. Fowles, asked the Secretary for Mines—

"1. How many motor-cars were used or hired by the Government for the distribution of 'Hansard' in the metropolitan area on any night of this week?

"2. What was the cost of such motor-cars?"

The SECRETARY FOR MINES replied—

"1. None.

"2. See answer to No. 1."

REFERENDUM ON ABOLITION OF LEGISLATIVE
COUNCIL.

HON. F. T. BRETNALL: On a previous occasion I asked questions with reference to the cost of the referendum on the abolition of the Council, and I was asked to postpone part of them for another week. That was three weeks ago. I was willing to do so in

order to give the Minister time to get the answers, if he could. I would like to know whether he has the answers ready now?

The SECRETARY FOR MINES: The further answers to the hon. member's questions are as follows:—

"(a) Printing, £1,674 17s. 2d.; (b) advertising, £1,107 15s. 8d.; (c) halls, £427 12s. 9d.; (d) telegrams, £817 14s. 8d.; (e) returning officers and scrutineers, £2,313 6s.; (f) legal expenses to date, £922 16s. 2d. Total, £7,324 2s. 5d.

"Counsel's fees in connection with the 'Upper House cases' are being taxed at present.

"I would point out that a local option poll was held on the same day and is responsible for a proportion of the expenditure."

STATE IRON AND STEEL WORKS BILL.

THIRD READING.

On the motion of the SECRETARY FOR MINES, this Bill was read a third time and passed.

TITLE.

The SECRETARY FOR MINES moved—That the title of the Bill be—

"A Bill to authorise the establishment, continuance, and carrying on of State iron and steel works, and other industries, and for other purposes."

HON. P. J. LEAHY: I presume that that is the title of the Bill as it came here, and it would have fitted the Bill if we had passed it in that form. However, we did not pass it as it came here, but reduced it to a Bill dealing with coke, iron, and steel. The title is, therefore, too comprehensive, and certainly does not fit the Bill as it stands now. Our clear duty is to alter it in conformity with the alterations made in the Bill in Committee. I think the words "and other industries, and for other purposes," should be omitted, but before that, I move the insertion of the word "coke" after the word "State."

The SECRETARY FOR MINES: I hope the Council will not accept the amendment. In any case, the insertion of the word "coke" will not make the title quite sufficient, because last night we approved of certain amendments, and the title will not be in conformity with the contents of the Bill if we omit the words "and other industries." Last night, before the adjournment for dinner, the Council agreed to insert after the word "coke" the words "and associated processes," and I find that amendment has not been made. Until the Hon. Mr. Leahy sought to amend the title I was quite prepared to allow the Bill to go back to the Assembly, where those words could have been inserted, and then the amendment could have come back here for our approval.

HON. P. J. LEAHY: The Assembly could not put in any new matter unless it was in connection with an amendment we made.

HON. T. J. O'SHEA: We offered to insert that amendment, and you said we would leave it over and see if it was necessary.

The SECRETARY FOR MINES: I stand corrected. Now that the hon. member reminds me, I remember that that is the case—that just before the adjournment

for dinner I said that we could recommit the Bill and insert those words, as we had passed the place where they should have been inserted and we could not go back.

HON. T. J. O'SHEA: Do you think they are necessary?

The SECRETARY FOR MINES: I think they are necessary.

HON. P. J. LEAHY: We cannot recommit the Bill at this stage.

The SECRETARY FOR MINES: No; but the Assembly might make the amendment, and the Bill could come back to us with the amendment inserted.

HON. P. J. LEAHY: We can consider it then if they make the amendment.

The SECRETARY FOR MINES: I cannot see the force of the Hon. Mr. Leahy's argument. The title is "A Bill to authorise the establishment, continuance, and carrying on of State iron and steel works, and other industries, and for other purposes."

HON. P. J. LEAHY: We struck out the other industries.

The SECRETARY FOR MINES: But there are many "other purposes." There is, for instance, the making of bricks in connection with the manufacture of iron, and the manufacture of the by-products of coke. Why all this distrust of the Government?

HON. P. J. LEAHY: Because we have limited you in the Bill. We might say, if you like, "and for other purposes connected therewith," although I do not see that that would be right.

The SECRETARY FOR MINES: I do not desire to take up time at this late period of the session, but I hope the Council will not agree to the alteration of the title.

HON. R. BEDFORD: I do not see any necessity for the alteration of the title. If we take one particular industry alone which has not been mentioned in the Bill, but which comes within the purview of this work in Queensland, there is the fact that Queensland is the only State which is not negligible with respect to the production of manganese, and our State works could easily establish a monopoly in the manufacture of manganese pig, and, therefore, the wider title is necessary. I think this is quite a vexatious alteration, and I oppose it.

HON. T. J. O'SHEA: The title of the Bill will not enlarge the powers granted under it, but it is a mistake to have a title which is not truly descriptive of the contents of the Bill. When the Bill came to us the title was correct, but it is not correct now. I really do not see why the Minister should insist on having an erroneous title to a Bill which is absolutely confined to the manufacture of coke, iron, and steel, or, as the Hon. Mr. Leahy suggested, "and for other purposes connected therewith," if you like; but certainly not "other industries and for other purposes." Clause 12 clearly defines that, even if every other clause in the Bill did not.

HON. G. PAGE-HANIFY: I quite agree that the amendment is a vexatious one, and disagree with the remarks of the Hon. Mr. O'Shea. Last evening we agreed to an amendment 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 of both Houses of Parliament, approve." That gives a conditional permission to widen the scope of the Bill. If we amend the title now, then it disagrees with that amendment. It is not going to make any material difference whether we amend the title or not, and I hope that it will not be amended at this stage.

Amendment (*Mr. Leahy's*) agreed to.

HON. P. J. LEAHY: I beg to move the omission of all the words after the word "works"—namely, "and other industries, and for other purposes."

Amendment agreed to.

The title as amended was agreed to, and the Bill ordered to be transmitted to the Assembly by message in the usual form.

PROPOSED SUSPENSION OF STANDING RULES AND ORDERS.

The SECRETARY FOR MINES: With the leave of the House, I would like to move a motion without notice. I would like to move that the Standing Rules and Orders be suspended for the remainder of the session to enable Bills to be passed through all stages in one day. Hon. members know that we are within two or three days of the end of the session.

HON. E. W. H. FOWLES: Are you going to sit on Saturday?

The SECRETARY FOR MINES: If you like we will sit on Saturday in order to finish up business. I can tell hon. members that there will be no further legislation introduced here.

HON. P. J. LEAHY: It will be better if there is some Bill you are particular about if you moved the motion with respect to that Bill.

The SECRETARY FOR MINES: All the legislation proposed is on the business-sheet now.

HON. W. STEPHENS: I object to the suspension of the Standing Orders in order to allow four or five important Bills involving taxation to be rushed through.

The PRESIDENT: Order! There is no question before the House. This question was dealt with in the early part of the session, and it will be out of order to move it again without leave. It can only be done by leave of the House.

The SECRETARY FOR MINES: As there is some objection to it, I will withdraw my request.

LAND TAX ACT AMENDMENT BILL.

SECOND READING—RESUMPTION OF DEBATE.

HON. P. J. LEAHY: In pursuance of an understanding arrived at when I was speaking on the last occasion, I will continue my remarks on the second reading of this Bill. I was endeavouring to show that at the present time Queensland is the most heavily taxed State in Australia, and if this Bill is passed, together with the other taxation measures we have on the paper, we will be much more heavily taxed than any other State in Australia. Speaking from memory, I do not think there is any land tax in New South Wales at all. There was some suggestion to impose a land tax there, but I am not sure

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whether it became law. The proposal was that if the land tax became law the whole of the money was to be devoted to the local authorities to keep the roads in repair.

HON. R. BEDFORD: They are on a loan drunk in New South Wales.

HON. P. J. LEAHY: They could not be on more of a loan drunk than the Government supported by the hon. gentleman.

HON. E. W. H. FOWLES: We deserve all we get.

HON. P. J. LEAHY: The people who put them there deserve all they get. Two years ago we passed for the first time in the history of Queensland a pretty heavy land tax. It is well known that strong objections were taken to it at that time. It has had the effect of penalising the producers, the very men we ought to encourage. As a matter of fact, this tax will operate most unjustly in connection with a very considerable number of people, because there must be thousands of persons who own

[3 p.m.] freehold the prairie value of which is £2,500 or more; and a large number of those persons owe on that land considerable sums of money. A man may have £10,000 worth of land, unimproved value, and may have borrowed two-thirds of the value of that land, or £7,000, upon mortgage. Under this Bill, if it became law, in addition to the ordinary land tax he would have to pay on that £3,000 2d. in the £1 on the whole £10,000. That means £8 6s. 8d. per £1,000, or, roughly, over £3,000 on the £10,000 worth of property although only £3,000 worth of that land actually belongs to the owner, the rest being practically the property of the mortgagee. The Government would, therefore, take away, not only part of that man's income, but also part of his property. If they do that, I should say that, on a rough estimate, they would take away probably three-fifths of the capital value of the land. That is not ordinary taxation; it is partial confiscation.

HON. R. BEDFORD: All taxation is partial confiscation.

HON. P. J. LEAHY: Not at all. The Hon. Mr. Bedford evidently does not know anything about economics. Legitimate taxation—not the kind of taxation that is being imposed by the Hon. Mr. Bedford's friends—is really in the nature of payment for services rendered. The Government must pay judges, and they must pay members of Parliament—at least they do so, though I do not see the necessity for it—and they must pay certain other public officers, and to meet that expenditure it is necessary to impose taxation. But for this particular tax there are no services rendered. The local authorities raise the money necessary to make and improve their roads, and they do that by a tax on land. This tax is purely and simply an act of partial confiscation which cannot be justified.

HON. F. COURTICE: It is in accordance with our policy.

HON. P. J. LEAHY: The Hon. Mr. Courtice interjects that this taxation is in accordance with their policy. That may be, but because it is in accordance with the policy of the Labour party, that is no reason why it should receive the approval of members

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of this Chamber. Now, I come to a very big thing which I touched upon very briefly when I was speaking the other day. We are at the present time in a war, and may not be out of that war for a considerable period. The Commonwealth Government have borrowed several millions of money at 4½ per cent., and they must make provision to meet their obligations in respect of those loans, so that there must be considerable taxation imposed before the war is over.

The PRESIDENT: Order! I must ask hon. members who are engaged in conversation to continue their conversation in low tones, as the "Hansard" staff complain that they are embarrassed in their work by the conversation.

HON. P. J. LEAHY: Before this war is over there must be further loans raised by the Commonwealth, and we shall also have to find money to assist in the repatriation of the returned soldiers and for a variety of other purposes connected with the war. There is a limit to the amount of taxation which any people can stand, and we are getting close to the limit in Queensland with the taxation imposed by this Bill and other Bills that are on the paper. If we were to pass the whole of the taxation measures thrown at us, there would be probably no taxable reserve left for the Federal Parliament, and they are bound to impose further taxation in connection with the war.

HON. R. BEDFORD: Would you support this Bill if it were introduced by the Federal Government?

HON. P. J. LEAHY: The hon. gentleman wants to know if I would support this measure if it were brought in by the Federal Government. I certainly could not oppose it, because they must get the money.

HON. R. BEDFORD: They do not conscript wealth; they only conscript men.

HON. P. J. LEAHY: The hon. gentleman knows that the Federal Government have imposed heavy taxation on the wealthier members of the community. Within the past few months they have imposed a war profits tax, and more than twelve months ago they imposed a Federal income tax and a Federal land tax with certain limitations. The hon. gentleman knows that money must be found for the purpose of carrying on the war.

HON. R. BEDFORD: We know that.

HON. P. J. LEAHY: Well, the only way the Federal Government can do that is to get the money from the people in the different States. What the other States will do in the matter of taxation is not my concern. At the present moment my concern is what the Government of Queensland propose to do, and I say that, if we pass this taxation and the other taxation measures submitted by the Government, there will be very little taxation left to meet the demands of the Federal Government for war purposes. Should the Federal Government bring in a measure to raise money, I should recognise the necessity for it if the money was to be used for war purposes. In that case there would be nothing for us to do but to pay the tax. But it is one thing to raise money for patriotic purposes such as I have mentioned, and another thing to raise money which is squandered by a Government who have not the most rudimentary idea of economy. I said frankly in my opening remarks that I was opposed to this measure, and I

say so now, and to put the matter to the test and have it finally settled one way or the other I move as an amendment—

“That all the words after ‘now’ be omitted, with a view of adding to the motion the words ‘this day six months,’ for the following reasons:—

“1. In February last the Legislative Council passed the following motion:—

That in view of the heavy Federal taxation necessary for war purposes and of the necessity of economising where possible this House is of opinion that the Government of this State should reduce expenditure during the balance of the current year so as to keep within their income without making any attempt at further inopportune and burdensome taxation.

“2. The Government ignored the above resolution, with the result that there was a deficit for the year ended 30th June last.

“3. The proposed super tax imposes a crushing and unnecessary burden on farmers and other producers at a time when every facility should be given for increased production.

“4. The proposed super tax is unjustifiable, inasmuch as the Queensland land tax is already heavier than that of any other Australian State, and also because the Government received in 1916-17 a revenue of £7,880,893, being £678,235 more than was received in 1914-15, and being £681,494 more than the expenditure found necessary in the latter year.

“5. The present Government, in the twelve months ended the 30th June last, changed a surplus of £34,791 into a deficit of £253,493, and the proposed tax only offers further opportunity for unwise speculation and loss to the public Treasury.

“6. The Government of this State (with a larger revenue than ever before) should be able to square accounts without imposing any additional burden on the people.

“7. The Federal Government, in order to raise revenue for paying interest on war loans, providing for the repatriation of returned soldiers, and several items of expenditure which must be paid out of revenue, will find it necessary to levy further taxation; and, if the present heavy taxation in Queensland is increased by the State Government, there will not be a sufficient taxable reserve for war purposes.

“8. The welfare of the citizens of Queensland, combined with motives of the highest patriotism, render it obligatory on the Council to reject this Bill, and thus maintain for the Federal Government some taxable reserve upon which Federal taxation for war purposes may be levied.”

The resolution referred to in the amendment was passed in February last. In conclusion, I would only say that to bring forward a Taxation Bill of this kind on the very eve of a general election, and under the circumstances I have mentioned, is something that I am quite sure will not commend itself to this House, and which cannot be defended before the country. (Hear, hear!)

HON. T. NEVITT: Hon. gentlemen on the other side of the Chamber have frequently

during the present session twitted the Government of the day for having a deficit last year. What was the cause of that deficit?

HON. E. W. H. FOWLES: The Government.

HON. T. NEVITT: The Government of the day framed their Estimates and arranged what they considered to be an equitable scheme of taxation, but this Chamber, in its wisdom or otherwise, decided to throw it out. If any commercial enterprise is conducted on those lines it must naturally fail. It is impossible to make revenue and expenditure meet if a portion of the revenue is taken from the Government, and that is what was done by this Chamber during the past session. The Treasurer, when introducing this measure, stated that the present financial year would end up with a deficit in round numbers of about half a million of money. In order to provide for that deficit he considered that it was necessary to impose extra taxation, and this is one of the taxation Bills. The Hon. Mr. Fowles said that this is one of a vicious quartette of Bills. I do not know why he should apply such a term as that to this Bill.

HON. E. W. H. FOWLES: It wants to squeeze the people like a vice—that is vicious.

HON. T. NEVITT: But the hon. gentleman went on further to say in the same speech that it would only squeeze six people.

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

HON. T. NEVITT: Further on, in the same speech, the hon. gentleman said it would squeeze about half a dozen people.

HON. E. W. H. FOWLES: First of all; taxation always filters.

HON. T. NEVITT: We will see whether there is any other authority as to whether a land tax is a vicious principle or not. What did Henry George say on this matter?

An HONOURABLE MEMBER: He was a single taxer.

HON. T. NEVITT: That makes no difference to the principle involved. Henry George said—

“Land is God’s bounty to all, of which no one can be deprived without being murdered, and for which no one can be compelled to pay another without being robbed.”

The position is this: that a great portion of the wealth of those who are large freehold landowners to-day has been obtained by the expenditure of public money. We have spent something over £40,000,000 on railways, and about £16,000,000 in other forms of improvement, such as wharves, advances to local authorities, and so on. If this Bill is passed it will only be a means of getting back a portion of that unearned increment. Those who own the property have in many cases done nothing to improve it themselves; it has only been improved by the expenditure of public money. I think we have also spent something like £3,000,000 on immigration, and, after all is said and done, what gives value to land but the people? The Government has spent over £3,000,000 on immigration, and the expenditure of that money has added considerably to the value of freehold property.

HON. E. W. H. FOWLES: Some people who bought land have lost on it.

HON. T. NEVITT: I am one of those unfortunates myself, but the fact remains that there is property to the value of £17,000,000 which will be subject to this tax

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which will injure nobody, because those on whom the tax will fall are well able to pay this super tax of 2d. in the £1. If the argument advanced by the Hon. Mr. Leahy were true, then I admit some injustice would be done. The hon. gentleman quoted a supposititious case of a man who owned property to the value of £10,000. The hon. gentleman said he might have a mortgage of £7,000 on that property, which would leave him an interest in that £10,000 property of only £3,000, and the hon. gentleman contended that that man would be called upon to pay tax on the full value. If that is the only argument that the hon. gentleman can put forward in asking for support, then I say it is a very lame one. Another statement made by the hon. gentleman was that the Federal Government would be called upon to raise a good deal of money in order to meet the heavy expenditure incurred on account of the war. That is quite true, but we as members of this Council have nothing to do with the Federal Government, and we must make our own ledger balance.

Hon. A. A. DAVEY: You must do it by spending less in bad times.

HON. T. NEVITT: The party which the Hon. Mr. Davey is supporting at the present time is not in power, but whether they are in power or out of power, it seems that they want to run the country in the way they think best. We must give the Government some credit. The people were behind them when they were elected, and it is their business to run this country. If the business is not conducted in a manner satisfactory to a majority of the people of Queensland then there always comes a day of reckoning, at the very least once in three years. It is not for this Chamber to put the Government in a difficulty such as will be the case if the amendment is carried.

Hon. E. W. H. FOWLES: The Bowser party in Victoria are the economy party.

HON. T. NEVITT: Victoria is in no better position than we are. In Victoria there has been a Liberal or a Conservative Government in power ever since its inception, and they have a greater accumulation of deficits than any other State. That reminds me of another statement made by the Hon. Mr. Leahy, which has no foundation in fact. He said that Queensland at the present time had the heaviest land tax of any State in Australia.

Hon. P. J. LEAHY: I think so.

HON. T. NEVITT: The Commissioner of Income Tax does not think so, and I presume the hon. gentleman will accept his figures.

Hon. P. J. LEAHY: Let me see the thing itself.

HON. T. NEVITT: It is in the report of the Commissioner of Income Tax. Under Table G he gives a statement of the amount of land tax collected in the various States of Australia and New Zealand.

Hon. P. J. LEAHY: That is not the thing; New Zealand has a greater population.

HON. T. NEVITT: New Zealand has a considerably less area of country than we have here. Population is one factor, but it is not everything.

Hon. P. J. LEAHY: What is the rate per pound?

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HON. T. NEVITT: The hon. gentleman quoted the figures just to suit himself.

Hon. P. J. LEAHY: That is what you do.

HON. T. NEVITT: I am doing nothing of the kind. The hon. gentleman made a bald statement and that statement is not borne out by this return.

Hon. E. W. H. FOWLES: Take the rate per pound. In Victoria it is a halfpenny.

HON. T. NEVITT: I forget what the area of New Zealand is, but, roughly speaking, we have 600,000 square miles in Queensland.

Hon. P. J. LEAHY: Tell us the rate per pound.

HON. T. NEVITT: We have only alienated, roughly speaking, about 5 per cent. of our lands, yet, in spite of that, there is freehold property to the value of £17,000,000, subject to this Act, showing that the land is of considerable value, and practically of the same value per acre as it is in New Zealand.

Hon. P. J. LEAHY: Tell us how much in the pound the tax is in New Zealand?

HON. T. NEVITT: I am making my speech in my own way, and I am refuting the statement of the hon. gentleman when he said that Queensland has the highest land tax of any State in Australia.

Hon. P. J. LEAHY: I did not say that.

The PRESIDENT: Order! The Hon. Mr. Nevitt has the floor, and he should be allowed to make his speech in his own way.

HON. P. J. LEAHY: I rise to a point of order. The Hon. Mr. Nevitt is grossly misrepresenting what I said. I do not propose to give my reasons, as probably I would not be in order. But that is the reason why I interrupted.

HON. T. NEVITT: If I have misunderstood the hon. gentleman, I am prepared to withdraw anything I said. I certainly understood the hon. gentleman to say that Queensland at the present time collected more from the land tax than any other State in Australia.

Hon. P. J. LEAHY: No. I said the rate per pound was greater, and so it is.

HON. T. NEVITT: Another statement made by the Hon. Mr. Fowles was as follows:—

“The Government are sweeping the corners of men’s pockets, taking the gold fillings from hollow teeth, and coppers out of the children’s money boxes.”

Is it a fair thing to treat a measure of this kind in such a flippant manner?

Hon. E. W. H. FOWLES: It is not flippant when you come to the succession and stamp duties. They rob the coffins there.

HON. T. NEVITT: The hon. gentleman charged the Government with robbing the children’s money boxes, and I can only say that that is a flippant manner in which to deal with this serious subject. Some hon. gentleman asked the question why the Government required this extra taxation. That is a reasonable question, and I think I have a reasonable reply. It is this. The present Government have had an increased railway expenditure of £445,000. That is practically

as much as the estimated deficit this year. Why have they had that increased expenditure of £445,000?

Hon. G. S. CURTIS: It is an unjustifiable expenditure at the present time.

Hon. T. NEVITT: As to whether it is justifiable or not, you have to go to the president of the Arbitration Court.

Hon. G. S. CURTIS: He is not infallible.

Hon. T. NEVITT: What I want to point out is that for the present year, 1916-17, the Government will have to pay for the management of our railways £445,000 more than was paid for the management of the railways at any previous time.

Hon. F. T. BRENTNALL: That is because they put it on.

Hon. T. NEVITT: I want to explain how it was put on, and I would like to know if hon. gentlemen are against its being put on. It is a well-known fact that for very many years the ordinary rate of wages paid to artisans and others employed in the Railway Department was considerably [3.30 p.m.] less than that paid in any other State in Australia. That is the reason why, when they went to the Arbitration Court, they got something like justice. Is that not sufficient to convince any man that this taxation is necessary to find the money to pay those men?

Hon. E. W. H. FOWLES: Didn't you vote for the Many Peaks-New Cannindah Railway, which would return $\frac{1}{2}$ per cent., and would not that add to the deficit?

Hon. T. NEVITT: The Many Peaks Railway has nothing to do with the deficit, because that line is not being built. I am speaking of the general administration of the railways. Will any hon. member say that the railway men are getting more than they ought to get?

Hon. E. W. H. FOWLES: Some of them are earning more and some of them are earning less than they ought to get.

Hon. T. NEVITT: According to that interjection, on the average they are getting just about what they are entitled to. Then, again, the Government have incurred an extra expenditure of £64,000 on education. Surely the hon. member does not wish that vote to be cut down. Those two items amount to over £500,000, and the Government are only asking for an additional £496,000.

Hon. A. A. DAVEY: What about the State stations, State butchers' shops, and State "pubs"?

Hon. T. NEVITT: It will be time enough to discuss all those things when they come before us. I think I have made out a reasonable case as to the necessity for this extra taxation so far as the Hon. Mr. Fowles is concerned. That hon. gentleman also said that the tax would be oppressive, and that we proposed to put all the burden of taxation on half a dozen men. If there is anything in that statement, it means that, if this Bill is passed, half a dozen men are going to pay the extra taxation. Yet the Hon. Mr. Leahy said that thousands upon thousands of farmers will be affected by this tax. Now which of those hon. members, both of them sitting on the same side of the Chamber, are we to believe?

Hon. E. W. H. FOWLES: You will find the exact figures on page 3 of the report of the Commissioner of Taxes for last year. That will settle the dispute.

Hon. T. NEVITT: Which of the statements is true?

Hon. E. W. H. FOWLES: Both. No man is going to pay the tax if he can pass it on.

Hon. T. NEVITT: I find from Appendix B of the Commissioner's report for the year ended 30th June, 1917, that the total number of farmers, fruitgrowers, etc., who paid income tax during the year 1916 only amounted to 3,893. That is the total number of farmers who paid income tax on incomes over £200 per annum. No one will have to pay this tax unless the unimproved value of his land is over £2,500, so, if you cut down the number of farmers who are paying income tax by 20 per cent. or 30 per cent., what becomes of your thousands and thousands of farmers who are going to pay this tax?

Hon. G. S. CURTIS: Then you want to make those few people pay the £450,000 to the railway men?

Hon. T. NEVITT: Every hon. member must admit that, if this Bill is passed, it will be the means of breaking up large, unimproved estates. A great part of that land is adjacent to railways and is at present under cattle or sheep, and, in many instances, it can be used to better advantage. If this Bill is passed, in all probability those estates will be cut up. It is a well recognised fact that the larger the estate the smaller the amount of improvements put upon the land by the owner.

Hon. P. J. LEAHY: There is a super tax under the Land Tax Act of 1915 for bursting up purposes.

Hon. T. NEVITT: According to Table C in the second annual report of the Commissioner of Taxes, the average percentage of the unimproved value to the improved value in land having a taxable value of £500 to £999 is 45.1. The percentage in the case of estates valued at from £30,000 to £49,999 is 60.6. I maintain that one of the effects of this tax will be that landowners will have to disgorge a great deal of their holdings, thereby enabling men to get land within a reasonable distance of a railway and to get their products to market at a reasonable cost. And where you get more population you get increased revenue through the railways and through the increased value of Crown lands and in many other directions, so that this tax will not have any bad influence. I wish to read another quotation from Henry George—

"That God has intended the State to obtain the revenues it needs by the taxation of land values is shown by the same order and degree of evidence that God has intended the milk of the mother to be intended for the nourishment of the babe."

Hon. A. A. DAVEY: What did Henry George know about what God intended to do?

Hon. T. NEVITT: The hon. member who interjects knows that no one can live without the product of the land, and, when the Supreme Ruler provided the atmosphere to breathe, he also provided the land on which to live, and both air and land should be equally free to every human being. Every hon. member who has any respect for himself or for his own family cannot help but endorse those sentiments. I consider this tax is a just one. I could go on for a considerable time longer, but I know there is a

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general desire to close the session in a day or two, and therefore I shall postpone my remarks till some future occasion. If the amendment is carried, I suppose we shall have another opportunity of considering the question at some future date, and I may then be able to give a few more facts to show why I consider a super land tax desirable.

HON. G. S. CURTIS: The Hon. Mr. Nevitt has practically acknowledged that this proposed tax, and no doubt the proposed income tax, are to be levied to make good the £450,000 increase in the wages of the railway servants. When speaking on the second reading of the Bill, I expressed the opinion that that was the object of this Bill. This is distinctly a class tax that the Government seek to impose on a few land-owners and payers of income tax. There are something like 24,000 payers of land and income tax in Queensland, and it is from that limited number that the Government seek to obtain the money to make good the increased wages paid to the railway service. This is, therefore, practically a subsidy to be paid to their own supporters and to be taken out of the pockets of a comparatively few individuals. With regard to the increases to the railway men, I think I am safe in saying that, if the management of the railways and the wages to be paid to the railway employees had been left in the hands of the Commissioner and his deputies, there would not have been any such increase as £450,000 given at the present time, because I do not think the circumstances justified it. The fact that there was at the time a deficit of some £750,000 on railways shows that that large increase is not justified. I believe I am right in saying that the Deputy Commissioner in the Central division gave evidence before the Arbitration Court in opposition to the claims of the men to such an enormous increase. That increase was based on a case made out by some witnesses on the strength of abnormal conditions. If that increase was not justified, why should the payers of land and income taxes be called upon to make it good? It should be levied on the general community.

HON. R. BEDFORD: Poll tax them.

HON. G. S. CURTIS: Why not? You have the authority of John Stuart Mill and other great political economists in support of a poll tax. A few years ago a professor of economics at the Sydney University said that it would be a very good thing if everyone in the community contributed something directly to the revenue in order that they might feel some degree of responsibility so far as the finances of the country were concerned. What responsibility can people feel who are spending other people's money and contributing nothing to the Treasury? It is said that land values are caused by Government expenditure, and we have been favoured with the views of Henry George, but Henry George is not now accepted as infallible on the subject. Distinguished economists since his day have shown that his doctrine is not sound. A little while since I was recommended to read a little work by Professor Raleigh on "The Essence of Government and Economics," and I sent to England for it. He says that the socialists' doctrine might have been all right when the human race was living in a primitive state, but under civilisation and with the advent of science and all that kind of thing land has

become an article of commerce. According to him, land is of precious little value until capital and labour have been bestowed upon it. It is evident that the Government of this State in pursuance of their objective, which is the nationalisation of everything, think that taxation is a good thing. We do not believe in that; we are individualists, and we consider it a very bad thing. We consider that the more lightly a people are taxed the better it is for the country. Members opposite, and those who think like the Government, believe the very opposite; they believe that taxation is a good thing in itself. I affirm, and I am supported in my contention by the highest authorities, that it is a great evil, and that the more lightly a people are taxed the better it is for the country. If the increase of £450,000 in the railway expenditure is justified, then that money should come out of the pockets of the general community, and not out of the pockets of a section of the community. This land tax is sought to be justified on the ground that all properties under a certain value will be exempt, but I would point out that if the larger estates are reduced in value by the super tax, the smaller estates will also be reduced in value, and that will make the country poorer. The tax will depreciate and reduce the value of land to the individual, and that means that it will also reduce the value of land as a national asset. Why should you wish to penalise unduly people who have chosen to invest large sums of money in land? Is it not a good thing to induce people to come here and invest their money and engage in industrial enterprises? If private individuals had not done that in the past, where should we be to-day? There would be no necessity for a Parliament in Queensland. The Government and their supporters seek to discourage those people by excessive penal taxation such as this.

HON. R. BEDFORD: We are only turning down a few of them in the interest of the community.

HON. G. S. CURTIS: I have had a good deal to do with freehold properties, and have carried on a very large business in land for many years, and I know that people fight shy of investing their money in a country where the policy of the Government is in the direction of increasing taxation on property, more especially on landed property. Such taxation makes the individual poorer, and it makes the whole community poorer; therefore, it is a bad thing. A deputation representing the public service, headed by Mr. Mole, waited upon the Premier the other day to protest against officers whose salaries were £200 and upwards being debarred from appealing to the Arbitration Court. The Premier asked where the money was to come from, and one of the deputations, representing the Education Department, I think, asked him, "Can you not devise some general tax which will provide the necessary funds?" The Premier did not make any reply to that question. It is a somewhat difficult problem I admit, but the Government should face it. There are lots of men working in shearing sheds in the Western district who are far better able to make a contribution to the revenue than many clerks and other persons engaged in mercantile life in the towns, and maintaining wives and families, and yet they make no contribution to the revenue. It is a most scandalous state of things when you come to think about it. Nearly 97 per cent. of the total population

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of Queensland are going scot-free and making no contribution to the revenue, and the other 3 per cent. of the population are called upon to bear the whole brunt of taxation.

HON. W. H. DEMAINE: Because they have everything in their hands.

HON. G. S. CURTIS: Look at the wages the sugar workers are able to earn. I heard it stated here the other day that some men earn £3 a day, and that other men are earning £5 and £6 per week. Those men contribute nothing to the revenue, and they ought to contribute to the revenue. John Stuart Mill says it would be an advantage to the whole community if a direct contribution was made to the revenue by everybody, except the poorer classes. It has been said that there should be no taxation without representation, but John Stuart Mill laid down the doctrine that there should be no representation without taxation. The hon. member who has just sat down addressed himself to this question from the socialistic point of view and from the Henry George point of view. I have addressed myself to it from the individualist point of view, and have pointed out that Professor Raleigh has said that land has now become an article of commerce. The owners have to pay a Federal tax, a State tax, and a local authorities tax; and if there are many more taxes imposed upon them they will be taxed out of their property. If a demand for increased taxation emanates from the Federal Government for war purposes, we recognise that such tax is necessary in the interest of Australia and the Empire, and that it will be an emergency tax and not a permanent tax. I do not think it is necessary to add anything further to the debate.

HON. H. LLEWELYN: There is no subject dearer to my heart than the taxation of unimproved values, because I think that must be the basis of all taxation. Everything is got from the land, and the land should bear the burden of taxation. With regard to the super tax, in my opinion it is not a super tax, but simply an increase in the land tax on a certain class of people. It has been stated here by the Hon. Mr. Curtis and other hon. members that a land tax is unfair. The Hon. Mr. Curtis quoted from Adam Smith and John Stuart Mill. From my reading of John Stuart Mill, I maintain that if he were living to-day he would be sitting with the members on this side of the House.

HON. A. A. DAVEY: No fear!

HON. H. LLEWELYN: Yes. I think John Stuart Mill laid down certain propositions that this Government are carrying out righteously and justifiably. I remember the time in the town where I was born when you could not get a bit of land. We ought to be thankful that with the evolution of civilisation that kind of thing is passing away. We now want something better for our children, and we are not making a fight for ourselves only, but are making a fight for posterity in imposing this kind of taxation. The object of this taxation is two-fold—to make land cheap, and to bring in revenue to enable the Government to carry out their great work—and it is not wise on the part of hon. gentlemen to defeat the

aims of the Government when their objects are in touch with the progress of humanity. I hope that hon. gentlemen will make up their minds to assist the Government, because they are developing those principles which tend to help the poorer classes of humanity. In the eighteenth century, only the landlords were represented in the English Parliament. The manufacturers were not represented, and the result was that Parliament imposed taxation through the Customs, and that led afterwards to the great battle between freetrade and protection. We have to fight the landed interest, which is well represented on the other side of the House, who are trying to defeat legislation which will tax wealth for the good of humanity.

HON. A. A. DAVEY: I do not mean to say very much on this Bill. My objection to the measure is that this is not an opportune time to put increased burdens on the people of Queensland. We shall have to face very great taxation in the future. Perhaps none of us can realise what that will be, but it is certain that it must be considerable. I am speaking now of taxation by the Commonwealth to pay the cost of fighting the battle against autoeracy in its worst form and securing the defeat of an enemy who, should they be victors, would reduce Australia and its prospects to absolute dust. If

[4 p.m.] the Germans win this war, Australia will exist no longer as we have known it in the past. All advanced thinkers have looked to Australia as being the continent upon which there would be built up a civilisation and a condition of affairs which would reflect honour to the whole of the human race. All these hopes will be absolutely gone. The unfortunate part of it is that the present Government do not seem to realise that there is a war being carried on.

HON. W. H. DEMAINE: Oh, yes.

HON. A. A. DAVEY: My honest conviction is that they are influenced by some ulterior motive, or else they are ignorant of the fact that a war is going on.

The PRESIDENT: Order! The hon. gentleman must keep to the question. It is not a question of the war.

HON. A. A. DAVEY: This is a question of taxation, and I am opposed to the taxation, in view of the taxation that we, as citizens of the Commonwealth, will be called upon to pay in order to meet our liabilities incurred through the war. I do not think that is out of order. My objection to this tax is that the people are not able to bear this increased taxation, in view of the certain tax that will come upon them from Federal sources, and not only are the people unable to bear this tax, but it is unnecessary at the present time. Are we going to allow the Government to buy cattle stations, and to go in for all sorts of speculations, and all sorts of business transactions, which must prove unprofitable, if we are to judge by what has taken place in other States? The only way they can get the money to go in for these things is by increasing the taxes on the people, and this is not the proper time to increase taxation.

HON. G. S. CURTIS: It is only a few of the people who will pay.

Hon. A. A. Davey.

HON. A. A. DAVEY: I do not care whether it is a few of the people or all of the people. If it were necessary it might be justifiable if all the people were called upon to pay. If the Government are not able to square their accounts it is because of their utter lack of commercial ability, and they are not fit for the positions which they hold. We are not justified in giving our support to further taxation on this already overburdened State in order to make up for the mismanagement of the affairs by the present Government. A lot of people have talked about this tax only affecting the people who are wealthy. That shows the absolute ignorance of hon. members on the other side. We have heard this afternoon all about the unearned increment, and about Henry George's theory. Henry George favoured a single tax, and it is not proposed by any hon. member on the other side to confine ourselves to a single tax.

Hon. T. NEVITT: His remarks stand as true to-day as ever they did.

HON. A. A. DAVEY: In my opinion, they never were true. If Henry George had lived a little longer in the world he would have altered his opinions.

The SECRETARY FOR MINES: If he were in this Council he would be on our side.

HON. A. A. DAVEY: If he were alive he would not be in this Council at all, and if he were I am absolutely certain that he would not be sitting over there. I do not own any land worth £2,500, so it does not affect me. I am a freelance, and anything I may say in this House may be taken to be in the interests of the people, because I have no axe to grind. Hon. members opposite try to make the people believe that because a man is possessed of land of a value of £2,500 he must have come by it dishonestly, and that he has put the whole of the increased value into his pocket. That is absolutely absurd. Hon. members opposite know perfectly well that land is passing from hand to hand all the time.

Hon. W. H. DEMAINE: It is increasing in value all the time.

HON. A. A. DAVEY: Of course it is, and the person who, unfortunately, happens to be in possession of a piece of land worth £2,500 has to pay the land tax.

Hon. W. H. DEMAINE: That is his misfortune.

HON. A. A. DAVEY: He may not have made anything out of that property, as it may have passed through, perhaps, 100 hands before it reached him.

Hon. W. H. DEMAINE: He has been swindling.

HON. A. A. DAVEY: He has not been swindling at all. Hon. members opposite talk about swindling and robbing—it shows their absolute ignorance.

Hon. W. H. DEMAINE: You have all the wisdom in the world.

HON. A. A. DAVEY: You have not very much.

Hon. W. H. DEMAINE: If I have not as much as you, then I am very poverty stricken indeed.

HON. A. A. DAVEY: You can put your little speech up when I have finished.

The SECRETARY FOR MINES: What about having it out on the green?

[Hon. A. A. Davey.]

HON. A. A. DAVEY: I am feeling fit for that. I could even wrestle with Huns, and this is not unlike wrestling with Huns, either.

The PRESIDENT: Order! This crossing across the Chamber must cease. The hon. member must continue his speech, and he must be allowed to do so without interruption.

HON. A. A. DAVEY: If a man happens to be in possession of £2,500 worth of land, hon. members opposite infer that he has come by it dishonestly, or if not dishonestly, then he has become possessed of something at much less than its real value, because the State has spent some money. That is nonsense. There are numerous farms in this State worth £2,500. There are any number of properties in this city that are worth £2,500, and a great deal more. The people who are in possession of those properties have not made any enormous profit out of them. As a matter of fact, they cannot get a return that will even cover the present taxation. Is that a just thing or a fair thing? Take certain sections of the city where there are old, dilapidated, out-of-date buildings. Someone comes along and buys this property, pulls down the old rookeries, and erects a very fine building on it like the magnificent buildings we see all around Brisbane to-day.

Hon. H. C. JONES: Profiteering does that.

HON. A. A. DAVEY: Profiteering! Will the hon. gentleman only get a little common sense? Talk about profiteering; the people who buy properties to-day and erect fine buildings are profiteering! The hon. gentleman does not know what he is talking about. The inference is that the man who owns a piece of land is necessarily an enemy to the working class.

An HONOURABLE MEMBER: That is imagination.

HON. A. A. DAVEY: It is what your crowd state openly.

Hon. W. H. DEMAINE: That used to be your crowd. You were one of the strongest advocates of the sort of thing that you are denouncing now.

HON. A. A. DAVEY: The hon. gentleman says I was one of the biggest advocates of this kind of thing.

Hon. W. H. DEMAINE: You were one of the greatest socialists on the roll.

HON. A. A. DAVEY: I held certain ideas, and I hold those ideas to-day. I am prepared to discuss them with any member of the Opposition or anybody they like to appoint on any platform. I have not changed my platform, but the hon. gentleman's friends have changed their platform. The party to which the hon. gentleman belongs started out with a very noble and beautiful platform, to which I subscribe like any other common-sense man. I, in my infancy, thought that the party to which the hon. gentleman belongs were sincere and honest in their protestations, and one of the most painful things that I have ever had to do in my life was to dissociate my moral support from them—I never had an official connection with them—when I found they were prostituting those noble ideas and using them for the very worst purposes. I am

opposing this Bill because I do not believe that this Council would be justified in assisting the Government to impose any increased taxation whatever. As far as I am concerned, I am opposed to any increased taxation in this State at the present time in view of the extravagance of the Government, and in view also of the possible taxation that will come upon us in the future. As far as I am concerned, I will not be a party to giving the Government power to increase the taxation by one iota during this session. They are at the end of their tether. They have to go to the country very shortly, and if the country like to send them back the country will have to take the consequences, but in the meantime I am not going to be a party to assisting this Government to impose this absolutely unjust taxation on the people.

HON. F. McDONNELL: The speech of the Hon. Mr. Davey was rather a surprise to me, because the hon. gentleman at one time was one of the most ardent advocates of land taxation, and I must admit that I am surprised at the remarkable change in the hon. gentleman. Boiled down, his argument comes to this: that he is opposed to this Bill because he is opposed to any increased taxation at the present time. That is the only argument he adduced in opposition to this Bill.

HON. W. STEPHENS: A very good one.

HON. F. McDONNELL: It may appear a good one to the hon. gentleman, but it is not a logical one. The hon. gentleman must know that any Government carrying on the business of the country must look to some means to pay their way. And to what sources can they look?

HON. A. A. DAVEY: Practise economy.

HON. F. McDONNELL: To what source can they look better than to a tax on land—land that is being enhanced in value every day without any effort at all on the part of the owners? Take the sugar lands owned by the Hon. Mr. Gibson and sugar lands in other parts of this State. Look at the value of those lands to-day compared with what it was ten years ago.

HON. W. STEPHENS: He developed them himself.

HON. F. McDONNELL: The hon. gentleman need not tell me that those lands have advanced in value simply because of the improvements put on the lands.

HON. W. STEPHENS: Of course they have.

HON. F. McDONNELL: You are the first that I have heard use that argument. Take our city lands. Our city lands have materially increased in value through no effort on the part of the owners. Hon. members cannot tell me anything about the enhanced value of city lands, because I have had to pay the advanced value myself. I have had to pay portion of the advanced value in the way of rent, and I have had to pay the advanced value when I purchased city lands. I can give instances where I have had to pay a very large premium on city land although the owner of that land never did anything to enhance its value. The value was created by the efforts of those surrounding it. There can be no denying the fact that the community has increased the value of both town and country lands.

HON. E. W. H. FOWLES: On that principle should you not tax businesses which have been built up by the work of the community?

HON. F. McDONNELL: Businesses pay a very large amount of taxation; and just as in connection with land taxation, so in the case of businesses, taxation is passed on to the purchaser. After all, unless a man's land is valued at £2,500 he will not have to pay this super tax; and on the value of £2,500 the additional tax will only amount to about £20.

HON. G. S. CURTIS: That will be a heavy burden to many people, especially those whose properties are encumbered.

HON. F. McDONNELL: Quite so, and a mortgage is a heavy burden. But there are heavy burdens imposed on business people quite outside land taxes. I am connected with a company that owns a fair amount of land. I think our land is valued at £8,000 or £10,000, and we will have to pay this tax, but we are prepared to do so, because we realise that we are living in abnormal times. There are hundreds of others who are also prepared to pay this taxation. It seems to me that the man who has the most land and who is the best able to pay is the man who squeals the most. It is evident that the wealthier a man is, particularly if his wealth is in land, the more he is disinclined to pay a fair amount of taxation to the State.

HON. G. S. CURTIS: You should encourage him to increase his wealth if he gets it honestly.

HON. F. McDONNELL: I would not discourage him at all. I believe in every man making as much as he can make legitimately and fairly; but I think he should pay his fair quota of taxation to the State. The land is about the only source to which the State can look for additional taxation. The Hon. Mr. Curtis spoke about 97 per cent. of the people not paying any taxation; but he should remember that the wharf labourer, who is earning £4 a week and has a family of seven or eight, is actually paying more in indirect taxation through the Customs than the hon. gentleman himself.

HON. G. S. CURTIS: To the Federal Treasury—not to the State.

HON. F. McDONNELL: I certainly agree with the suggestion that has been made here to-day that we should only have one authority in Australia imposing taxation. I do not go so far as to advocate unification, but some system should be adopted whereby we should have only one income tax and one land tax. When the hon. gentleman says that the working classes pay practically no taxation he is not so logical as he generally is when speaking on some constitutional question. He must not ignore the fact that indirect taxation is many times greater than direct taxation, and that indirect taxation falls more heavily on the poorer classes of the community than on the wealthier classes. The Hon. Mr. Davey spoke of philanthropic landowners who come into a city and erect palatial buildings on the site of old slums. But do we find many of these pocket philanthropists?

HON. W. STEPHENS: He admitted that it was done for profit.

HON. F. McDONNELL: He admitted it very reluctantly. He tried to give hon. members the idea that the gentlemen who erect these palatial buildings do so from philanthropic motives. Do we not know

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very well that the landowner, above all others, looks for profit when he decides to erect a building? Before he makes up his mind to build, he calculates how much he is likely to make out of it, and invariably he sees that he makes a very decent profit. It is not fair to consider land values from the point of view of boom times. I believe the Hon. Mr. Curtis has had a good deal of experience of land boom values in the Rockhampton district. At one time people were mad and bought land at fabulous prices, but those prices should not be considered a reasonable basis in connection with land taxation, or in connection with the return from land. In ordinary times the landowner sees that he comes out on the right side. I have not stood up to attempt to convince any hon. member against his will, because I know hon. members have made up their minds, and that, no matter what any hon. member may say on this side of the Chamber, there is very little hope of this Bill becoming law. The arguments from the other side have not impressed me, nor have they convinced me—particularly the arguments of the Hon. Mr. Curtis and the Hon. Mr. Davey. In fact, if anything could convince one that the Bill is a fair and reasonable one, and one that will only affect those who are best able to pay the tax, it would be the speeches of those two hon. members.

HON. W. H. DEMAINE: One thing that has struck me very forcibly since I came into this House is the perpetual harping on the poor capitalist and the poor landowner. It has been one interminable plea on one Bill after another. Another thing connected with the advocacy of the capitalist and the landowner by the Hon. Mr. Davey that has struck me is the bitterness shown by one who has reneged—I will not use a harsher term, though I could if I chose, but, perhaps, it might be unparliamentary—who has reneged on the party with which he was at one time associated. It is generally a man of that description who is most bitter against the party and the ideas he has abandoned.

HON. A. G. C. HAWTHORN: Because he knows them.

HON. W. H. DEMAINE: Perhaps there is some little amount of truth in that; but I have no time for a man who goes backward instead of forward. I can understand a Tory becoming a Liberal or a Liberal becoming a Labour man; but I cannot understand the reverse position.

AN HONOURABLE MEMBER: Perhaps you will become a Liberal when you have been here some time.

HON. W. H. DEMAINE: I am afraid it is too late for me to renege—I hope so, anyhow. If this House is likely to have a soporific influence upon me, the sooner I get out of it the better.

HON. E. W. H. FOWLES: It is never too late to mend.

HON. W. H. DEMAINE: What I deprecate is the bitterness that is imported into the Hon. Mr. Davey's speeches, and the constant iteration and reiteration that all who are opposed to him lack sense. I do not like to say of any opponent of mine that he lacks sense because he does not see eye to eye with me. If we cannot convince each other, then we can agree to differ. But this perpetual harping on the fact that the other

fellow has not a grain of sense and is to be pitied and all that sort of thing is getting on one's nerves. There is altogether too much of it thrown across the floor of this Chamber. It shows an intolerant spirit which should not be possible in a Chamber such as this. The same may be said with regard to charges of dishonesty. I do not attribute dishonest motives to a man who has accumulated wealth, no matter what form it takes.

HON. A. GIBSON: You gave expression to that sentiment just now.

HON. W. H. DEMAINE: I did not. I blame the community for allowing any individual to get an advantage over it, legally or otherwise. I might enter into a speculation myself and take advantage of the situation, but what I complain of is that the community should be so foolish as to allow any individual to exploit it. If our laws in the past have allowed this, we are here to help to prevent a continuance of such a state of affairs. In the district where I have mostly spent my time in this country I have seen the evils of land ownership, and a necessary concomitant to that is land taxation. The Kingaroy district has been developed during my time, and I can point to hundreds of people who have made money without putting one hour's work into the land, and other people have had to earn the profit they made. I have known land that was taken up from the Government at £1 an acre change hands until you could not look at it under £50 an acre. That land has gone up in value, not through any work done by the original purchasers, but through population going into the district and through the construction of railways by the Government. Land that was sold to the original purchaser by the Government at £1 an acre has gone up to £70 and £80 an acre, and has soared up until you get into hundreds of pounds per acre in the Central townships. All this could have been prevented by the perpetual lease system, for which this Government stands. I know one individual who has made £250,000 within the last fifteen years out of timber land and other lands in that district, and other people have had to pay—people who have used the land legitimately to grow corn and to make homes for themselves. That is the sort of thing that I object to. And who pays this taxation after all? Let us be honest in this matter. Is it not paid by the average worker in the community every time? It filters down ultimately to him. You have all seen the picture, "I work [4.30 p.m.] for all, I pay for all," and so on; and you know that the working man eventually pays for all. With regard to the basis of taxation before the war, I would remind you that the average wage of a working man was about £2 per week, which is in the neighbourhood of £100 a year. Calculated roughly, the working man on that £100 paid £10 in indirect taxation, and you know what rubbing off £10 in £100 means to a man who has to maintain a wife and three or four children. If you levy taxation on a 10 per cent. basis, that means that a man who has £1,000 a year will have £100 a year knocked off his income. Does he feel the loss of that £100 in the same way as the man with £100 a year feels the loss of £10? No; in the first case the man has simply to deprive himself of some luxury, while in the latter case the man has to deprive himself of absolute necessities.

[Hon. F. McDonnell.]

I maintain that the taxation should be graded so that the man with the higher income shall pay a greater amount relatively to the revenue. The self-denial of the man on £2 a week is a magnificent contribution to his country. If a man has £10,000 a year, and you take half of it from him, what is that? It is a mere bagatelle. What enables such a man to enjoy that income? The protection of the community—the working classes, who stand at the root of everything to enable that man to enjoy his magnificent income. I want to see the conditions such that no man can become rich at the expense of another.

Hon. E. W. H. FOWLES: What is "rich"?

Hon. W. H. DEMAINE: I am not going to enter into a controversy with the hon. gentleman on that matter. Let him come into the smoking-room and we will have it out there. What I want to show is the difference between visible taxation and invisible taxation, though there is very little invisibility about it. Let us take a common article which almost every man uses, and that is tobacco. Suppose a man goes into a grocer's shop and buys 1 lb. of tobacco, and pays 2s. for it, as he would probably do if there were no taxation, and he gets to the door and there meets a fellow in uniform who is waiting for him, and who says, "Four shillings, please." The purchaser asks, "What is this for?" The man in uniform would reply, "This is for customs duty." If that happened, the man would kick up a row, and we should probably have a revolution. You people object to paying an absolutely just tax. If you have not got the property, you are not asked to pay; we are only asking you to pay according to your means. To put the thing in a nutshell, the sacrifice should be equal all round.

Hon. E. W. H. FOWLES: You do not make it equal with this measure.

Hon. W. H. DEMAINE: Never mind; it is a step in the right direction. I could give you an illustration of what landownership means by reference to a town in Yorkshire called Huddersfield, within a few miles of where I was born. That township is owned by one family named Ramsden. Practically the whole township has been theirs for generations. I suppose their ancestors fought for it in the usual style—another term for robbery. Those properties are leased on a ninety-nine years' lease. The tenant has to put up the buildings, keep them in repair and in an up-to-date condition, and at the end of ninety-nine years the lease terminates and the landlord collars the lot. If the tenant wants a renewal of the lease he has to pay an enormous royalty in order to get it. There is an old story told of that particular township to the effect that an old Quaker family owned one allotment which the Ramsdens from generation to generation wanted to purchase. One Ramsden offered the Quaker to cover the land with sovereigns, and the Quaker said, "I will sell if you put them on edge." Ramsden said, "No," and the Quaker said, "All right; Huddersfield is mine and thine yet." Private landowning leads up to the community at some time or other having to get back by taxation something which it has parted with, and which it had no right to part with. Under the perpetual lease system, with direct tenure from the Crown, any accruing unearned increment would come back to the community to which it belonged. What members opposite are perpetually

depreciating and decrying is the lowering of land values. I say that the lower land values are the better it is for the community.

The SECRETARY FOR MINES: It is easy for me to agree with the sentiment expressed by the Hon. Mr. McDonnell to the effect that he was quite willing to pay this tax as a part owner of land valued at over £10,000. I think that is rather a noble sentiment for a member to express in this House, and that it is a pity there are not more public men in Australia who express themselves in that way.

Hon. T. C. BEIRNE: I am willing to vote for the Bill if you have no exemption.

The SECRETARY FOR MINES: Well, there is an exemption.

Hon. T. C. BEIRNE: It is unfair to have any exemption.

The SECRETARY FOR MINES: Hon. gentlemen know very well that this is a super tax on the unimproved value of land. The Hon. Mr. Leahy endeavoured to delude this House and the country by saying that this is a tax which will affect poor farmers.

Hon. P. J. LEAHY: To a great extent, yes.

The SECRETARY FOR MINES: How many farmers can be taxed under this Bill?

Hon. P. J. LEAHY: Thousands.

The SECRETARY FOR MINES: No farmer owning land under the value of £2,500 will be taxed under the Bill.

Hon. P. J. LEAHY: There are hundreds of farmers who own land of that value.

The SECRETARY FOR MINES: Where farming land is of that value, there are probably improvements. I have noticed that when any measure is introduced in this House which will cause the Government some little expenditure, hon. members either refuse to pass it or amend it in such a way as will harass the Government. The House have passed the State Iron and Steel Works Bill, and I venture to say that they will pass the State Children Act Amendment Bill. Both those measures will necessitate expenditure, but when we come to the question of finding the money, this House neglects its duty and refuses to give the Government the means of raising the necessary revenue.

Hon. A. G. C. HAWTHORN: For extravagance.

The SECRETARY FOR MINES: No hon. gentleman who has spoken this afternoon has quoted one item of extravagance or illegal expenditure.

Hon. P. J. LEAHY: Don't you know that the money for the iron and steel works does not come out of the revenue, but out of the loan?

The SECRETARY FOR MINES: I know that no hon. gentleman has mentioned one item of extravagance in expenditure.

Hon. P. J. LEAHY: The list would be too long.

The SECRETARY FOR MINES: Hon. gentlemen talk about extravagance, and swing about their arms and make vague statements, but give us nothing else. The hon. gentleman who moved the amendment should have given the true reason for throwing out this Bill. One of the reasons given for the amendment is that—

"The welfare of the citizens of Queensland, combined with motives of the highest patriotism, render it obligatory on

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the Council to reject this Bill, and thus maintain for the Federal Government some taxable reserve upon which Federal taxation for war purposes may be levied."

Hon. P. J. LEAHY: What is wrong with that?

The SECRETARY FOR MINES: Dr. Johnson was right when he said that "Patriotism is the last refuge of a scoundrel."

Hon. A. GIBSON: You can say that for your own side, but not for us.

The SECRETARY FOR MINES: The Hon. Mr. Leahy knows what is the true reason for his moving this amendment; it is intended to throw out the Bill. I suppose we may anticipate that the same fate will overtake the income tax proposal.

Hon. A. G. C. HAWTHORN: You are probably correct.

Hon. E. W. H. FOWLES: If we read it before Christmas.

The SECRETARY FOR MINES: I do not care if we sit here until the new year. But it would be a fair thing for the hon. gentleman who moved the amendment to give his true reason for submitting his proposal to the House, and say that the object is to harass the Government by preventing their financial measures passing through the Council. It appears to me that we are not going to get any of our financial measures through this session. The throwing out of these financial measures is one of the best reasons that could be given why the members who are elected by the people should govern the country. In any ordinary business, the man who does the buying must also do his selling. How can hon. gentlemen say that we have created a deficit when they contributed to it themselves? When we try to make ends meet and introduce fair proposals and honest forms of taxation, which will not fall heavily on the people least able to bear it but on the people best able to bear it, this House throws them out.

Hon. I. PEREL: Keep it going. That is good stuff.

The SECRETARY FOR MINES: One hon. gentleman said that this Bill meant the further taxation of the farmers. That is absolutely untrue. I venture to say that not one farmer, in the category of a working farmer, will come under this proposal. I would be willing to forfeit £1 for every farmer who comes under the category of a working farmer who would come under this Bill.

Hon. E. W. H. FOWLES: Will you pay his income tax?

The SECRETARY FOR MINES: Yes.

Hon. T. J. O'SHEA: I will take up your £1 challenge.

The SECRETARY FOR MINES: I am not going into the merits or demerits of land value taxation, although it is sound in principle. If by the expenditure of public money land is increased in value then some of that enhanced value should be recouped by the State.

Hon. A. G. C. HAWTHORN: You are getting a large portion of it now.

The SECRETARY FOR MINES: Land taxation is a sound principle, anyhow. How can hon. gentlemen criticise the Government for not being able to square the ledger and make the expenditure and revenue meet,

when they encourage expenditure on one hand and refuse to pass the measures to give us the necessary revenue to carry on the industries of the country? I hope this House will not refuse to pass the taxation measures of the Government, because we are suffering just as much as the Federal Government are on account of the war. If this amendment is carried, and we do not impose this taxation, then we will be inviting the Federal Government to tax the people of Queensland. Why should we let the Federal Government tax the people when the same avenues of taxation are open to us? Surely it is better to allow our own State to impose the taxation, and encourage State industries. This is only a small measure involving extra taxation to the extent of £180,000. We have had difficulty with the hospitals. Why? Because of the actions of this House in refusing to pass the measure that would grant us the necessary money to satisfy the needs of the hospitals.

Hon. A. H. PARNELL: Tax the landowners.

The SECRETARY FOR MINES: The landowner should be taxed.

Hon. A. G. C. HAWTHORN: So he is

The SECRETARY FOR MINES: I hope that even at this hour members will not agree to the amendment, but will allow the Bill to pass. The amendment has come as a surprise to me, although I am getting that way that it takes a lot to surprise me in this House. I was under the impression that the Council were going to assist the Government with their financial proposals and allow them to go through, and I felt sure that this Bill was going to be passed.

Hon. A. G. C. HAWTHORN: The Minister said that the true reasons for throwing out this Bill are not set out in the amendment of the Hon. Mr. Leahy. I say that every one of them is a good reason. They are all true reasons why we are not supporting the Government on this occasion. The Minister says we are harassing the Government. We warned the Government last year that we would not assist them in the extravagance they were carrying on, but in spite of that warning, and in view of the increased revenue that they got, they still proposed to wind up with a deficit. I will say this, as an ex-Treasurer: I can take two of the Under Secretaries of the different departments, and I can take the Commissioner for Railways, and we can go into a room with a few pencils and in two hours we can go through the Estimates and bring the expenditure within the revenue. We can do that, and I am certain the State of Queensland will not suffer materially by it.

The SECRETARY FOR MINES: You would cut down wages and salaries.

Hon. A. G. C. HAWTHORN: I would not. I would put things on an economical basis, I say it can be done. I do not want to talk about the income tax measure now, but when we are dealing with it I will quote from the Commissioner's report and the Auditor-General's report and show where the extravagance has gone on. We cannot pass this Land Tax Bill or the Income Tax Bill after the warnings we have given the Government on different occasions. Considering we threw the Bills out last year, we would be doing a wrong to the people of Queensland if we passed them on this occasion, because we would be encouraging the Government in the policy of extravagance which

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they have adopted from the moment they came into office. Under the circumstances, I say that the reasons given by the Hon. Mr. Leahy are good and proper reasons why the Bill should be thrown out. We say that the Government have been extravagant, and we are entitled to say that we will not assist them any further in carrying on their system of extravagance.

Question—That the word proposed to be omitted (*Mr. Leahy's amendment*) stand part of the question—put; and the Council divided:—

CONTENTS, 14.

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

Teller: Hon. I. Perel.

NOT-CONTENTS, 24.

Hon. T. C. Beirne	Hon. T. M. Hall
" F. T. Brentnall	" A. G. C. Hawthorn
" C. Campbell	" P. J. Leahy
" J. Cowlishaw	" C. F. Marks
" G. S. Curtis	" E. D. Miles
" A. A. Davey	" C. F. Nielson
" A. Dunn	" T. J. O'Shea
" B. Fahey	" A. H. Parnell
" E. W. H. Fowles	" E. H. T. Plant
" A. Gibson	" W. Stephens
" G. W. Gray	" H. Turner
" H. L. Groom	" A. H. Whittingham

Teller: Hon. T. M. Hall.

Resolved in the negative.

The words proposed by the Hon. Mr. Leahy were added, and the question, as amended—That the Bill be read this day six months (for the reasons given)—put and passed.

CLERMONT FLOOD RELIEF ACT
AMENDMENT 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.

INCOME TAX ACT AMENDMENT BILL.
SECOND, READING—RESUMPTION OF DEBATE.

HON. A. G. C. HAWTHORN: I think this Bill should deservedly meet the fate of the Bill we have just passed out, because it is exactly on the same lines. It is an endeavour by the Government to take from [5 p.m.] certain taxpayers of the State who are already very heavily taxed money which, under the present circumstances, should be and is really absolutely unnecessary. We find that the Treasurer, on page 18 of his Statement, says—

“The position may now be summarised as follows:—

Estimated expenditure	... £8,749,241
Estimated revenue	... 8,252,629

Deficit	... £496,612”
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With an estimated revenue of £8,252,629, I think that any Treasurer, who had any idea of the necessities of the position and of his duty to the people of this State, could easily have made his expenditure come within that amount and not have asked for any further

taxation. Last year the Treasurer anticipated a revenue of £7,706,365, and he actually got £7,880,893—a larger sum than he anticipated, and yet he wound up with a deficit of £253,000. He says in his Statement—

“It was proposed to meet the shortage by altering the incidence of the income tax in order to obtain additional revenue from taxpayers in receipt of incomes of more than £3,000 a year, and by imposing a super tax on all incomes over £400 a year. These proposals, however, though passed by the Legislative Assembly, did not receive the concurrence of the Legislative Council. The Government was, therefore, deprived of the additional revenue which I am now in a position to say would have yielded £180,000. If the increased tax had been authorised, it does not follow that the deficit would have been reduced by the full amount, because the Government had promised, if the new taxation was authorised, to grant certain direct assistance to returned wounded and maimed soldiers and towards the scheme for repatriation, which would have absorbed a considerable sum.”

In spite of getting more than he anticipated as revenue, he was unable to make ends meet. On top of that he says, “I am anticipating some hundreds of thousands of pounds more revenue this year, and yet I have made up my expenditure on such a footing that I am going to wind up with a deficit of £496,000.” Is that the action of any body of men who were seized with the necessities of the occasion; who knew that the Federal Government are doing all they can to raise money to carry on the war, and that they are the only people who should raise money for that purpose? It is our duty, as part of the Australian Commonwealth, to assist the Commonwealth Government in carrying on the war in the best way they can. The present Government have shown absolute incompetency; they do not know the value of money, and they are prepared to expend extravagantly, no matter what the result may be. In 1907 the income tax realised £271,299, and with that amount of taxation the Government of the day were able to carry on and to wind up with a surplus. During the year before last the Government received from income tax £766,560, and last year from the same source they received £756,292. In addition to that, they have imposed a land tax, from which they received during the first year the sum of £247,044, and last year £362,535, making a total from income tax and land tax last year of £1,118,826, as against £271,000 ten years ago. The population has not increased very largely, and, as a matter of fact, the population decreased last year as against the year before. With all that money to spend, and all their extra other revenue, the Government were not able to make ends meet, and, as I stated on the question of the land tax, any man who knew what the possibilities were and who had been in the Treasury could go in and take two Under Secretaries and the Commissioner for Railways and cut down these Estimates quite easily so as to make ends meet. There would be no difficulty at all in doing that, and the people of Queensland would not suffer in any way. The Government would then have an income equal to what they had last year, and an expenditure equal to what they had last year, both of which were larger than ever before in the history of Queensland. It was their duty to sit down and make up

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their Estimates on such a basis that there would be no necessity to impose extra taxation to the extent of nearly £500,000. We have already allowed them to suspend the sinking fund, which is equal to £84,000 a year. They will probably get £50,000 or £50,000 more from stamp and succession duties. Between the two they will get £140,000 or £150,000, and according to their own ideas they will probably make £50,000 or £70,000 profit on their State stations.

Hon. A. A. DAVEY: £230,000.

Hon. A. G. C. HAWTHORN: £230,000 is the amount of profit that they estimate they would make if they sold the whole of the stations and stock to-day. They are going to get money out of the workers' compensation fund, and in different ways they are going to get a lot of extra money, and, in my opinion, in many instances their estimates will be exceeded. They will probably get altogether an extra £200,000, and if they cannot make ends meet with that amount, then they do not deserve to get anything further in the way of taxation. With regard to the figures mentioned by the Hon. Mr. Davey in connection with the stations, I do not know whether I will be in order in quoting from a debate in the other House, where the Minister for Lands said—

The PRESIDENT: Order! The hon. member will not be in order in quoting from a debate that took place in another place.

Hon. A. G. C. HAWTHORN: The Minister for Lands said he estimated the profit on the State stations, if they were sold to-morrow, would be £230,000. He gave different items of expenditure and receipts, and he estimates that the profit next year will be at least £50,000. When we come to the report of the Commissioner for Railways we find there are many things that reflect on the position of the railways at the present time. On page 5 the Commissioner says—

“After paying all working expenses there is a net revenue of £837,780, which is equal to £2 ls. 5½d. per centum on the total capital expended on opened and unopened lines. This sum was insufficient by £734,997 to provide the working expenses and interest charges for the year.”

Then, on page 6, he says—

“In connection with the deficit on the year's working of £734,997, I desire to state that the total loss on those sections of railway that did not pay interest and working expenses during the calendar year of 1916 amounted to £765,332. Of these, thirty-seven sections failed to earn sufficient revenue to pay working expenses and interest on capital, and thirty-three other sections, while paying working expenses, failed to pay full interest.”

Is that not a very strong intimation that something is wrong? Should not the Commissioner, or those in power, endeavour to rectify that position? Can that state of things be justifiable under any circumstances? There surely must be some way of making those lines payable, either by reducing the number of trains or increasing the revenue in some way. Then, as I said before, an outside independent Royal Commission should be appointed to go into the whole question of the management of the railways; not a commission of railway officials appointed by the Commissioner, or a commission appointed by the other House consisting of two members

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from one side of the House and a police magistrate. Who is going to place any very great value on a report by either of those commissions?

Hon. P. J. LEAHY: They want a commission of experts.

Hon. A. G. C. HAWTHORN: Both commissions, to my mind, are biased, and certainly, through want of knowledge of railway matters, they will not be able to give a report that will be of value to the State of Queensland.

Hon. W. R. CRAMPTON: Like the Hon. Mr. Leahy's Select Committee.

Hon. P. J. LEAHY: That is a good committee, although I am on it.

Hon. A. G. C. HAWTHORN: He goes on—

“Evidently the solution of the problem ‘how to make our railways pay’ will be found in a scheme that can minimise or overcome the loss on these non-paying sections, as the sections that are paying do not earn sufficient to counterbalance such loss.”

It is the duty of the Commissioner and the Secretary for Railways to find that out.

Hon. T. NEVITT: That has always existed, more or less.

Hon. A. G. C. HAWTHORN: Then, how is it that five or six years ago the railways not only paid interest and redemption, but contributed a small sum to the consolidated revenue, instead of taking £735,000 out of the consolidated revenue?

Hon. G. PAGE-HANIFY: There were sections that lost money then.

Hon. A. G. C. HAWTHORN: Granting that, they were worked in such a way as to minimise the loss.

Hon. W. J. RIORDAN: Do you suggest increases in fares and freights?

Hon. W. R. CRAMPTON: No; retrenchment.

Hon. A. G. C. HAWTHORN: I suggest that the railways should be run on business lines. I understand that there are far more lengthsmen on the lines to-day than there used to be when Mr. Thallon was Commissioner—more lengthsmen than are necessary to do the work; and, from what I have been given to understand, very great numbers of men have slowed down a great deal and the work is not as efficiently done. As I will show, the Commissioner says the same thing in his report. An inquiry is undoubtedly needed into the working of the department by an independent commission. The Commissioner cannot be unbiassed in the matter, and a board of officials appointed by him must be biased. Undoubtedly, the Commissioner, at the present time, is under political influence. (Hear, hear!) In the old days when we had Mr. Mathieson, Mr. Johnston, and Mr. Gray as commissioners they were entirely free from political influence, and the Commissioner ought to be placed in a similar position now. I look upon our railways as one of the greatest weaknesses in our finances. Instead of being payable, they have been run at a loss during the last few years, and impose a liability upon the general taxpayer that should not be thrown upon him. Here is what the Commissioner says on page 30 of his report—

“1. Are we getting value for payments made by the department to its servants?”

"2. Are we getting value for the services rendered to the public?"

"3. What effect have unionism and arbitration had on the output of the staff and the efficiency and discipline of the service?"

Is that not a plain hint that the men in the service have slowed down?"

HON. E. B. PURNELL: That is the statement of a man who is biased against all our principles.

HON. W. STEPHENS: Why, he is biased in favour of labour.

HON. A. G. C. HAWTHORN: What are your principles?"

HON. E. B. PURNELL: Good wages and good conditions.

HON. A. G. C. HAWTHORN: Is it one of your principles to slow down?"

HON. E. B. PURNELL: It is one of our principles to do the best thing we possibly can.

HON. A. G. C. HAWTHORN: Is that done?"

HON. E. B. PURNELL: Yes.

HON. A. G. C. HAWTHORN: Don't the men set their own task now?"

HON. E. B. PURNELL: Our principle is fair work for fair money.

HON. A. G. C. HAWTHORN: Don't the men set their own task and say when they have done enough?"

HON. A. A. DAVEY: Everywhere.

HON. A. G. C. HAWTHORN: Apparently that is so in the Railway Department.

HON. W. H. DEMAINE: Why generalise? Give some specific instances.

HON. W. J. RIORDAN: You never did a day's hard work.

HON. A. G. C. HAWTHORN: I am told that that is the reputation the hon. member has in the North. (Hear, hear!) I am told that he never has worked; that he will do anything but work; he will organise and make others work.

HON. W. J. RIORDAN: I may be wrong, I was just judging by your appearance.

HON. A. G. C. HAWTHORN: I will not say anything about the hon. member's appearance, because I do not like to be personal, though I might say a good deal.

HON. W. J. RIORDAN: I don't mind.

HON. A. G. C. HAWTHORN: I now come to the Auditor-General's report. I want to show that we have every justification for refusing to give the Government this extra income taxation.

HON. A. A. DAVEY: It would not do them any good.

HON. A. G. C. HAWTHORN: That is the difficulty. It would not do any good to give an excessive amount of money to the present Government.

HON. P. J. LEAHY: The more they get the more they want to spend.

The PRESIDENT: Order!

HON. A. G. C. HAWTHORN: On page 42 of his annual report the Auditor-General says, under the heading of "Business undertakings—Department of Railways"—

"It may be remembered that last year I reported adversely on the de-

centralisation scheme in so far as it related to the accounts portion. The initiation of Branch Accounts Offices at Townsville and Rockhampton at very considerable cost had nothing whatever to commend it, and for many reasons was most undesirable."

Then, on page 43, he goes on under the heading of "Railway Revenue and Expenditure"—

"The largest excess of revenue over expenditure occurred in the year ended 30th June, 1915, when earnings exceeded expenditure by £1,430,324, but since then a decided falling away has taken place. The year under review ending up with an excess of revenue over expenditure of only £935,389.

"Notwithstanding that the earnings of last year constitute a record, the return on the capital invested was only £2 l. 5d. per cent., as against £2 11s. for 1915-16, £3 16s. 7d. for 1914-15, £3 12s. 2d. for 1913-14, and £3 8s. 8d. for 1912-13."

"Notwithstanding that the earnings of last year constitute a record." Then he goes on to talk about the different items—

"A general stocktaking of all stores, material, &c. held by the department has recently been completed, the result being that in several instances considerable discrepancies have been disclosed.

"Placing the surpluses against the shortages, however, the net results, with two exceptions, may be considered as fairly satisfactory."

"The exceptions referred to are in connection with coal, Southern Division, and the Ipswich Locomotive Workshops, in which cases the following substantial shortages have been disclosed—

Coal	...	...	...	£4,408	0	8
Ipswich Locomotive Workshops (net)	...	...	...	1,164	3	5

Those are details that show there is something wrong in the department. On page 46, he says—

"Divisional storekeepers are directly responsible to the Commissioner, and are quite independent of each other, thus necessitating the maintenance of three separate administrative staffs."

On page 47, speaking of "Stores Boards," he says—

"As the department is now largely indenting its own supplies, and as the previous system of obtaining stores by contract has been practically superseded by a system of competitive quotations, it appears to me that the time has arrived to reconsider the necessity for the existence of these boards."

Then with regard to "Departmental Saw-mills," he says—

"The auditor's report, as furnished to me by the chief railway auditor, on the Homestead, Purono, and Bootooloo Saw-mill manufacturing accounts was of a very unsatisfactory nature, and disclosed a loss of £4,602 12s. 9d., which, allowing for sleepers and blocks not credited—£1,290 15s. 4d.—was reduced to a net loss of £3,311 17s. 5d. for the period, February, 1916, to 30th June, 1917."

Those are all items that show that there is

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a necessity for a very careful inquiry into the department.

HON. W. J. RIORDAN: You are complaining because the Government are making an inquiry, and now you say you want an inquiry made.

HON. A. G. C. HAWTHORN: I do not call what the Government are doing an inquiry at all. I want an independent inquiry by experts who can go into the department and put their fingers on a thing, and say, "Here is where a loss is being incurred"; "Here is where an alteration should be made"; "There something else should be done." We should have an inquiry by men who will be competent to place the railways on a sound business footing. The small items I have alluded to show that the business is not being run on commercial lines.

HON. W. J. RIORDAN: Why don't you read some of the big items?

HON. A. G. C. HAWTHORN: I think some of them are fairly big. Is not a deficit of £735,000 in a year of record earnings a fairly big item?

HON. W. R. CRAMPTON: Is it not a fact that a Liberal Government had a deficit of £630,000 with only half the present mileage?

HON. A. G. C. HAWTHORN: I do not think that is a fact, but, even if it were, would that justify this deficit of £735,000? Certainly, such a deficit has not been incurred during the last ten or fifteen years. And, if it is true that there ever was such a deficit, probably it was a drought year.

HON. W. R. CRAMPTON: Haven't there been a drought and a war since the present Government came into power?

HON. A. G. C. HAWTHORN: But the earnings last year were a record.

HON. L. McDONALD: At the same time the cost of materials has gone up by 100 per cent. in some instances.

HON. A. G. C. HAWTHORN: The hon. member can put his case afterwards just as he likes.

HON. W. J. RIORDAN: You are putting a lopsided case.

HON. A. G. C. HAWTHORN: That is what the hon. member is used to doing. This is what the Auditor-General says about the consolidated revenue fund—

"It will be noted that the revenue for the past year shows an increase of 33 per cent, upon the amount it was ten years ago—viz., in 1906-7—but, on the other hand, the expenditure for last year, compared with 1906-7, discloses an increase of 108 per cent."

The expenditure from trust funds was never so great as it was last year. Last year the Government spent no less than £2,494,519. The trust funds showed an actual debit on 30th June, 1917, of £1,776,739. Then they took credit for the temporary advance from the Commissioner of the Government Savings Bank of £1,500,000, and claim to have had a cash debit balance at 30th June last of only £276,739. Before I saw the Auditor-General's report I wondered why that £1,500,000 was placed to the credit of the Treasury at all, but the state of the trust funds shows why the Treasurer was so anxious to get that amount.

HON. E. W. H. FOWLES: Yet they are keeping it at credit in the Government Savings Bank.

[Hon. A. G. C. Hawthorn.]

HON. A. G. C. HAWTHORN: To show their method of doing business the Auditor-General says, with reference to the purchase of station properties, on page 16 of his report—

"With regard to the purchase of stations and other properties, it would appear from certain expressions in the records relating to these purchases that Government debentures constitute part of the purchase money. I am advised, however, by the Crown Solicitor that, in a legal sense, debentures under the Government Loan Act of 1914 cannot be applied in payment of the purchase money of stations."

They cannot buy stations with debentures, and this is how they did it—

"What really happens is 'the purchase money of the stations is provided from "unforeseen expenditure" under warrants signed by the Governor, but not counter-signed by me.' I am aware that the power of the Executive in this respect is practically unlimited. I am informed that it is, in effect, made a condition of the purchase that some portion of the price should be invested by the purchaser in Government debentures which are issued under the authority of the Government Loan Act of 1914."

Instead of issuing debentures to the purchaser as part payment of the property, they make the purchaser go round to the office and take so much in debentures in his own name. At page 18 of the report there is this statement—

"The following statement illustrates the marked increase in the loan indebtedness of the State during the past ten years:—

Indebtedness at 30th June,	
1917	£61,303,136
Indebtedness at 30th June,	
1907	41,764,467

Increase £19,538,669
representing an increase of over 46.8 per cent."

The debt per head of the population is £89,624, and we have a sinking fund of £258,896, payments to which have been suspended. [5.30 p.m.] We have passed a measure giving them authority to suspend those payments, and that should help them considerably in making both ends meet. If the Government were not able to do with an income of £7,880,893 last year, and are not able to do with an anticipated revenue of £8,749,241 this year, they are not deserving of any encouragement by this House. The best thing we can do is to say to them, "You are going to get an enormous income this year; cut your coat according to your cloth; go and cut down your Estimates; if you go on the Estimates you had last year, you will have ample money to spend, and to keep your departments in a state of efficiency; do that and you will wind up with a surplus; increase your expenditure, do not keep within your income, and you will certainly have a deficit; we will give you a couple of hundred thousand pounds more, and if we do that and allow you to suspend payment to the sinking fund, and give you additional revenue from stamp duty and succession duty we shall be doing far better for you than you deserve." Under all the circumstances, I say it is the duty of this House not to encourage the Government in their

taxation proposals; it is our duty to make them live within their income. As I have pointed out, there is a tremendous leakage somewhere in the Railway Department, which is our biggest spending department, and which ought to be our most profitable department. With all these resources at their command, the Government should be able to make ends meet without this extra taxation. I shall oppose the Bill, and I propose to treat the Income Tax Bill in the same way.

HON. G. S. CURTIS: If a Government who are extravagant in their expenditure are encouraged to have recourse to the income tax whenever they get into difficulties, there will never be anything in the shape of economy. That has been found out in the old country. The income tax was first imposed as an emergency tax to raise funds to carry on a war, and was limited in its duration. It was only intended to be temporary, but in many cases it was found a most convenient means of raising revenue, and several Governments had recourse to it from time to time. Mr. Gladstone, who was one of the greatest economists and financiers the mother country has ever produced, always strongly condemned it. He said—

“If you had only direct taxes, you would have economical government. I am deeply convinced that facility of recurring to and maintaining income tax has been a main source of the extravagance in government.”

Mr. Walter Bagehot, in his letter to Mr. Gladstone, made use of the following expression:—

“Indirect taxation so cramps trade, and heavy direct taxation so impairs morality that a large expenditure becomes a great evil.”

The Labour party, in its superior wisdom, seems to think that taxation in itself is a good thing, especially when imposed upon property. Our experience in Queensland has been limited to direct taxation, the only indirect taxation imposed upon the people of this State being that imposed by the Federal Parliament, and the revenue from that taxation goes to the Commonwealth, except a small portion which is returned to the State on a per capita basis. One great objection to the income tax is that in many cases Governments have recourse to that source of revenue whenever they find they are getting into difficulties, and under such a system there can be no such thing as economical government. Here a few people have to pay the whole cost of government for the whole people. The necessity for this measure, if there is any necessity for it, has been caused by the extravagance of the Government. They have not been economical. The fact is that no Labour Government can possibly withstand the pressure that is brought to bear upon them by their multitudinous followers outside, most of whom are wage-earners who clamour for increased expenditure in the shape of increased wages and a reduction in the hours of labour. It is very well known that the besetting evil and vice of democracy at all times has been the spending of money lavishly without due regard to their responsibility. Mr. Gladstone pointed out on one occasion that that is the tendency of democracy, and we find that the evil has been manifest in an aggravated form

in the administration of Labour Governments. The tax which this measure seeks to impose is a graduated tax, increasing as the value of the property increases. I have grave doubts as to whether that is an equitable thing, though I know it is claimed that it is in accordance with the principle of equality of sacrifice. But I submit that to tax the larger incomes at a higher percentage than the smaller incomes is to lay a tax on industry and economy, to impose a penalty on people for having worked harder and saved more than their neighbours. It is partial taxation, and is a mild form of robbery. Just and wise legislation would scrupulously abstain from putting obstacles in the way of the acquisition of even the largest fortune by honest exertion. If this Government remain in power and continue to spend money lavishly as they have done in the past, and are allowed when they have a deficiency in their revenue to impose further taxation on a small number of people in the community, the properties of those people will eventually become confiscated, as the value will be taxed out of them. In this way, the Government will nationalise them by a process of confiscation by taxation. Hon. members opposite admit that that is part of the policy of their party—the confiscation of property by means of taxation.

HON. P. J. LEAHY: Confiscation without compensation, too.

HON. G. S. CURTIS: There is certainly no compensation where they take the value out of property by taxation. If they were honest nationalisationists, they would take the properties over and pay the owners for them, but the policy of this Government is to nationalise property by means of taxation. If this measure is passed the Government will attain two objects—revenue to meet the deficit caused by their extravagance, and a step forward towards their objective, the confiscation of private property by taxation. (Hear, hear!) It is all very well for the hon. member to say, “Hear, hear!” but, if that were the position of this country, it would be lamentable; and it would be disastrous to everyone in it. Sir Henry Maine, in his great work “Popular Government,” speaking about the United States of America, said that the wonderful success of that country resulted from the sacredness of contract—

HON. W. J. RIORDAN: Cheap labour.

HON. G. S. CURTIS: No. The United States of America owe their success to the sacred observance of contracts and the rights of private property.

HON. P. J. LEAHY: There is no political Labour party there.

HON. G. S. CURTIS: There is a Labour party there, but they have a different system of government to ours. If we had had in Australia the same system of government that they have in the United States at the present time then the Labour party would never have been able to exercise so much power in this country as they have done. However, that is outside the scope of the Bill, although it is a very interesting subject. I venture to say that when Australia federated if she had adopted the United States presidential system instead of the British Cabinet system the Labour party

would never have been able to exercise the control which they have done in Australia.

HON. W. H. DEMAINE: Look at the taxation they are suffering from in America at the present time.

HON. G. S. CURTIS: It is easy to find fault with any Government, but to quote a vulgar saying, "The proof of the pudding is in the eating." Look at the position of the United States to-day. How glad we are to have her assistance in this great war, and we hope to be materially aided by her in securing a victory over Germany and the Central Powers. If the United States had been a socialistic State, and the rights of private property had not been exercised as they are there, and the sacredness of contract had not been observed as it is there, she would not have been in the splendid position she is to-day. I could quote the words used many years ago in Sydney by that great Australian statesman William Charles Wentworth, the drafter of the Constitution conferred on New South Wales and which led up to the separation of Queensland from New South Wales. He said, "The rights of property are the rights of industry."

HON. R. CRAMPTON: Another stone age economist.

HON. G. S. CURTIS: It cannot be denied that the whole fabric of society and civilisation depends from the very foundation on the security of private property. What is wanted is a system of finance based upon a foundation arrived at by expert experience and knowledge, but we have not got it in this Government.

HON. P. J. LEAHY: We have not got it in Parliament. (Laughter.)

HON. G. S. CURTIS: We know that outside of Parliament we have just as great men in Australia as there were in the earlier days. William Charles Wentworth was a great figure in Australia in the early days, and we all know that they had intellectual giants in New South Wales in those days. We have just as great men to-day, but, unfortunately, they cannot get into Parliament. If they did perhaps Parliament would be able to show a better record.

HON. W. R. CRAMPTON: Quote some more of those stone age economists.

HON. G. S. CURTIS: The Government should find some more equitable basis of taxation. I do not want to repeat myself, but I could show that the whole burden of taxation is being thrown on to a few persons. The Government should find some more equitable method of distributing the burdens.

HON. P. J. LEAHY: But that would not be confiscation.

HON. G. S. CURTIS: No, it would not. I agree with my friend that it would not be in harmony with the Government's principle of confiscation. Such a proposal as this should not emanate from the Government which has received the largest revenue that any Treasurer has ever received in Queensland. The Hon. Mr. Hawthorn referred to the railways, and when I was speaking on the Address in Reply in the early part of the session I spoke strongly in favour of an independent Royal Commission being appointed to investigate the railway system in Queensland. I have had it in my mind for many years because I thought such a commission was necessary. I have often wondered why an independent railway

commission has not been appointed before. There is a large amount of slackness and want of discipline noticed in the Queensland railways. You can see it everywhere as you travel about. That sort of thing was commented upon recently in an article in one of the Melbourne papers. They had a Royal Commission to inquire into the railways in Victoria, and I pointed out at the time that if it were necessary to have one in a small State like Victoria how much more necessary was it to have a Royal Commission to inquire into the railway system in Queensland. There seems to be some difficulty in getting the efficiency we have a right to expect from our railways. The Commissioner in his report asked a number of questions, which shows that he has grave doubts in his mind as to the success of the present system, and whether Queensland is getting value for the money spent on the railways. I feel that a great mistake is being made and it will impair the efficiency of the railways in Queensland if we allow the control to be taken out of the hands of the Commissioner and his assistant commissioners and put into the hands of an arbitration tribunal presided over by a judge. I am certain that if the financial control of the railways had been left in the hands of the Commissioner for Railways, and the plaint for increase of wages had been dealt with by him and his assistant commissioners, then there would have been nothing like the amount of wages granted that were allowed by the arbitration award. That award provided for an increase of £500,000 for the railway servants alone. The men may be entitled to an increase in wages, but not at the present time while the war is going on. I think the railway men ought to have been reasonable, and they should have agreed to wait until the war was over before pressing their claims for an increase. The fact remains that the tremendous increase in the award is really the cause of this proposal being introduced to-day. The landowners of Queensland and the payers of income tax are called upon practically to pay that extra £450,000 to the railway servants. That is practically what it amounts to.

HON. W. H. DEMAINE: So they should.

HON. G. S. CURTIS: You may say so, but I do not.

HON. W. H. DEMAINE: I only wish that I had to pay a tax on £10,000 a year.

HON. G. S. CURTIS: I oppose these income tax proposals, and I think they should be rejected for three reasons—first, because of the extravagance of the Government; secondly, because they are grossly unfair to the persons who will be called upon to pay the tax; and thirdly, if there is any margin of taxation it should be preserved for the Federal Parliament for war expenditure.

HON. E. W. H. FOWLES: I rise for the purpose of affording just a few additional facts with regard to the income tax rather than for the purpose of introducing any contentious matter. On a comparison of the income taxes in the various States at the present time, I find that in New South Wales the maximum is 1s. 8d. in the £1. It started in 1912 with 1s., and went up 2d. in 1914, 3d. in 1915, and 3d. in 1916, and now it stands at 1s. 8d. In South Australia the maximum is 1s. 1½d.; in Victoria it is 7d. on personal exertion, and on property 1s.;

[Hon. G. S. Curtis.]

in Tasmania it is 1s. 3d.; and the Federal goes as high as 6s. 3d. Queensland, on personal alone goes up to 2s. 5d., so that if we pass this Bill the income tax in Queensland will be easily heavier than the income tax in any other Australian State, and will be rapidly approaching the Federal limit. I have the latest returns available in connection with the income tax from all the States, and I find that for the financial year ending 1915 the amount of income tax received in New South Wales was £1,600,000; in Victoria, £506,000; South Australia, £236,000; Western Australia, £174,000; Tasmania, £157,000; and Queensland, which is by no means second in population, actually comes second in the total income tax raised in that year. It raised no less than £517,000.

The SECRETARY FOR MINES: That is why food is so much dearer in the other States.

HON. E. W. H. FOWLES: I will deal with that straight away. According to the latest official figures of the Commonwealth Statistician, the increase in cost of living during the war—I include forty-six commodities in this—up to the end of October last, was as follows:—

Western Australia	... 10.7 per cent.
South Australia	... 14.7 per cent.
Victoria	... 28 per cent.
Tasmania	... 33.3 per cent.
New South Wales	... 37.2 per cent.
Queensland	... 38.6 per cent.

I quote from the "Daily Standard" of this afternoon. (Laughter.)

The SECRETARY FOR MINES: That does not prove anything. (Renewed laughter.)

HON. P. J. LEAHY: The "Standard" says it does.

The SECRETARY FOR MINES: You are only quoting the percentage increase.

HON. E. W. H. FOWLES: The percentage increase during the whole of the term of the cheap food Government.

HON. P. J. LEAHY: Did the "Standard" say it was owing to the State Government?

HON. E. W. H. FOWLES: As this was rather a hard knock, it did not give any reasons. The increase in cost of living in Queensland is 38.6 per cent., or nearly four times the increase in Western Australia. Do the Government consider that this policy of increased taxation will draw persons from other States to Queensland? We must consider a point like that. If the income taxation in Queensland is to be practically twice or three times the amount of the income tax in any of the other States of Australia, is that going to be a good advertisement for Queensland?

The SECRETARY FOR MINES: There is nothing in that argument, because the policy of this Government is direct taxation, and the policy of other Governments is indirect taxation.

HON. E. W. H. FOWLES: Do the Government expect, if they make Queensland the most heavily taxed State in the whole of the Commonwealth, and it will be if we pass this Bill—

HON. W. STEPHENS: And the dearest food place, too.

HON. E. W. H. FOWLES: And the dearest food State—it is the dearest to live in and the dearest to die in on account of the succession duties, so one really does not know what to do. This is a policy that throttles production and discourages thrift, and drives

away people from Queensland. I would not like to see a label put up on Queensland as the place where food is dearest and where the taxation is heaviest. I would not like to have pictures like that going round the world; and it is a fact.

HON. E. B. PURNELL: We will disprove that by and by.

HON. E. W. H. FOWLES: This sort of leech proposals by the Government bleed white the very sources of enterprise. When this Government came into power the maximum income tax was 8d. They increased this to 1s. 6d., and now it is 2s. 5d., and they propose a further increase. That is, during the term of office of this Government, the income tax on personal exertion has gone up from 8d. to 2s. 5d.; nearly 300 per cent.

The SECRETARY FOR MINES: Give us the exemption under this Bill?

HON. E. W. H. FOWLES: I do not know everything. I think the exemption is £150, but I am not sure. It is a very difficult Bill to deal with for two reasons. The clauses are contradictory, and they ought to be printed with the original Act so that we can see exactly what is meant.

The SECRETARY FOR MINES: There is a £3,000 exemption. I wish it would hit me.

HON. E. W. H. FOWLES: The limit of the tax on property was 9d. in the £1 when the income tax was first introduced. It has crept up by two stages until the limit now is not 9d. but 7d. in the £1. That is the limit brought in by this Government. It has shot up since 1902 from 9d. to 6s. in the £1.

The SECRETARY FOR MINES: While men are giving their lives for the country no man ought to be allowed to make more than £3,000 a year. I wish I were enjoying that salary.

HON. E. W. H. FOWLES: Mr. Fisher said £600. If the hon. gentleman's income were £10,000 he would probably have the same three meals a day, and have the same comfortable clothes, and would probably walk for exercise and would not change his habits at all. A man cannot eat money. Midas tried that and found it would not digest. A man will live on anything from £100 to £1,000 a year. He will live on that ordinarily. Many men keep a healthy, happy family on less than £150 a year and save on it. The wealthy man's margin is spent on investment, in production, and in giving employment. Very often more than four-fifths of a man's income is spent in giving wages to others. He cannot bury the margin of his income in a hole in the yard. It has to be invested, and he loses it very often. I have had the pleasure of losing a little.

HON. F. T. BRETNALL: Do not call it a pleasure.

HON. E. W. H. FOWLES: Well, it is a discipline; it is a means of grace. I have tried to put the searchlight of common-sense on this howl of indignation against wealth. Will the Minister ask really what wealth is? Riches is what a man is, not what he has. There is nothing wonderful in having money. You cannot take it in your hand and eat it, although, no doubt, it may give you a temporary feeling of exhilaration if you know your overdraft is paid off for a day or two. As a matter of fact, all a man can do is to eat

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a little and be clothed a little, so that really the howl against wealth is exploded. There is nothing in it.

HON. P. J. LEAHY: Some of those men do not fare as well as the working man. They do not get the Dickson award rations.

HON. E. W. H. FOWLES: As a matter of fact, if you take the Edisons, if you take the Rockefellers, if you take the Carnegies, you will probably find that they live on a very simple fare indeed, and they walk for the sake of exercise. They work probably as hard as any man sitting on the Government benches in this Council.

The SECRETARY FOR MINES: They do not have to wear patches on their trousers, anyhow.

HON. E. W. H. FOWLES: Some millionaires I have known to wear trousers on their patches—as a matter of fact, they have got more patches than trousers. Anyhow, clothes are not the man. All that the Treasurer hopes to get from this Bill [7.30 p.m.] is £180,000. If you look back you will find that the actual return from the income tax last year was greater than anticipation by no less than £56,291, and with the increase of prosperity and the good seasons, I should not wonder but what the income tax this year will exceed the estimate by almost the amount of this tax. It may be found that there is no real need for this at all. The only reason given by the Treasurer in asking for this additional taxation was that he might square the ledger.

HON. G. PAGE-HANIFY: Isn't that a good reason?

HON. E. W. H. FOWLES: I do not think so. Why should the money be spent, in the first place? And, if the money has been recklessly spent and we impose further taxation in order to square the ledger, is not that an open invitation to continued recklessness in spending? Would it not be much better to say, "No, I have spent that money recklessly; I had better shorten sail." An hon. member asked in what directions the Government can shorten sail. I certainly would not shorten sail on the education vote; nor would I shorten sail on any bonus on development, nor on any production, nor on self-paying railways. I have read through the reports on the last two railways that have been recommended by the Public Works Commission, and that have not come before us—two short lines of 9 and 16½ miles in sugar districts that could be finished before next crushing season, and that would return 5½ and 3½ per cent. respectively. The Government do not submit those lines for our consideration, but they submit a proposal for a line that would not pay more than one-half per cent. On a proposal like that I certainly would go slow. If the Government want to find where they can save money, surely they might save some on State public-houses.

HON. E. B. PURNELL: The old gag.

HON. E. W. H. FOWLES: I do not want the people of Queensland, even if they ever could, to forget that big mistake made by the present Government. I do not think they should be allowed to forget that the Government spent £32,000, or whatever the amount was, on stuff that will destroy the workers, body and soul. I cannot understand any Government being proud of that,

[Hon. E. W. H. Fowles.

and putting "T. J. Ryan and Co., Licensed Victuallers," over the top of Queensland.

The SECRETARY FOR MINES: Who are the "Co."?

HON. A. G. C. HAWTHORN: You are one of them.

HON. E. W. H. FOWLES: I had an excellent reception in North Queensland, and, if the Government would take a referendum in North Queensland to-morrow on 6 o'clock closing—I was going to say they would get a surprise, but they would not get a surprise, because they know exactly how the vote would go.

The SECRETARY FOR MINES: If you were in Cloncurry with a temperature of 120 in the shade, you would want a long shandy, too.

HON. A. A. DAVEY: After 6 o'clock it gets cool there.

HON. E. W. H. FOWLES: The Government should certainly shorten sail on their wild deals, and on their uncertain speculations; upon impossible railways; upon such things as joinery works—£35,000 spent, and dead money at the present time. If the Government look round they could also find directions in which they could shorten sail in the public service. Although it is a most unpopular thing to say, and although any man in the Assembly would probably lose votes if he said it, yet at the present time I would trust the common sense of Queensland and say that there are in the public service to-day men who are sweated and there are also men who find time hanging heavy on their hands.

HON. G. PAGE-HANIFY: What would you do with them?

HON. E. W. H. FOWLES: I would rearrange things. I would not do the least injustice; I would not take the bread from anyone's mouth; but even a politician would find that, if he did the conspicuously just thing, even if he trod temporarily upon someone's corns, the people would say that the right thing had been done. The public service needs reorganisation to prevent overlapping. As an illustration of this, why should we have a Federal Income Tax Office and a State Income Tax Office? Would any sensible business man allow his departments to overlap like that?

HON. E. B. PURNELL: Whose fault is that?

HON. E. W. H. FOWLES: I am not blaming anyone. The Government may have the business acumen, and, if they were just strong enough to stand a little bit of unpopularity instead of trimming their sails to every breeze, they would say, "We must economise." Mr. Bowser was strong enough to advocate economy in Victoria, and he is Premier to-day. He touched the conscience of the people, and they said it was the right thing to do.

The SECRETARY FOR MINES: If the people were strong enough, we would have unification.

HON. E. W. H. FOWLES: The man who has the courage to come forward and advocate a policy of economy and production will be Premier in Queensland in the next Parliament. The people are waiting for that man at the present time.

HON. G. PAGE-HANIFY: We know who will be Premier in the next Parliament.

HON. E. W. H. FOWLES: No one knows that. He will not have a bed of roses.

whoever he may be. He will have a lot of clearing up to do after this Government. There is a retrospective clause in the Bill that I do not think should pass, if the Bill ever gets into Committee. One clause cuts out the legal right of people who at the present time have cases pending before the courts, which is obviously unfair. There is also the question of taxing the savings of the workers who have put by a little for themselves in the form of life policies. If there is anything we may admire in a man, it is that he is able to look beyond his nose and take out a life policy. Anyone who has had much to do with estates is always glad when he finds that a father or a mother has looked far enough ahead to take out a life policy. This Bill hits at what it calls "assurance or insurance companies." I mention one case—mutual companies—no profiteers at all—just mutual companies. The Government say in this Bill, "These companies have a big reserve. Let us lay our burglarious hands upon it at once." The shareholders in one of those companies probably pay an average premium of £6 per annum on a policy of about £200.

The SECRETARY FOR MINES: The premiums will not be raised.

HON. P. J. LEAHY: But the policy-holders will suffer in their bonuses.

HON. E. W. H. FOWLES: That is a tax upon thrift. I do not think the Government meant that.

HON. P. J. LEAHY: They mean it, all right.

HON. E. W. H. FOWLES: I hope they do not; but it is in the Bill, and it is one very great blemish on the Bill. The Government take an enforced loan of £5,000 from I do not know how many insurance companies, and I note that their example is being followed in Western Australia, where the finances are in a very bad condition, and the Treasurer proposes to license insurance companies to the extent of £5,000 each.

The SECRETARY FOR MINES: Quite right, too.

HON. P. J. LEAHY: The Labour fellows got them into that mess.

HON. E. W. H. FOWLES: I beg to move the omission of the word "now," and the insertion at the end of the motion of the words "This day six months," for the following reasons:—

"1. In February last the Legislative Council passed the following motion:—

'That in view of the heavy Federal taxation necessary for war purposes and of the necessity of economising where possible, this House is of opinion that the Government of this State should reduce expenditure during the balance of the current year so as to keep within their income without making any attempt at further inopportune and burdensome taxation.'

"2. The Government ignored the above resolution, with the result that there was a deficit for the year ending 30th June last.

"3. The proposed tax imposes an unfair penalty on thrift, indirectly taxing the small savings of a large number of workers, in purely mutual companies, who are endeavouring to provide for those dependent on them.

"4. The present Government received in 1916-17 a revenue of £7,880,893, being £678,235 more than was received in

1914-15, and being £681,494 more than the expenditure found necessary in the latter year, and with an improved administration there should be found better means of balancing the public ledger than by imposing any unnecessary burdens on the people.

"5. The present Government, in the twelve months ended 30th June last, changed a surplus of £34,791 into a deficit of £253,493, and the proposed tax only offers further opportunity for unwise speculation and serious loss to the public Treasury.

"6. This House, commends to the earnest attention of the present Government a policy of judicious economy rather than extravagance, so that the finances of the State could be rescued from their present unsound position, and payments into the sinking fund need not be suspended.

"7. Except for cogent and urgent reasons, this House does not favour retrospective taxation, nor does it consider that lawful rights, in cases now pending before the courts, should be arbitrarily destroyed by the Bill.

"8. The Federal Government, in order to raise revenue for paying interest on war loans, providing for the repatriation of returned soldiers, and several items of expenditure which must be paid out of revenue, will find it necessary to levy further taxation, and if the present heavy taxation in Queensland is increased by the State Government there will not be a sufficient taxable reserve for war purposes.

"9. The welfare of the citizens of Queensland (combined with motives of the highest patriotism) renders it obligatory on the Council to reject this Bill, and thus leave for the Federal Government some taxable reserve upon which Federal taxation for war purposes may be levied.

"10. This House is of opinion that a Government whose destructive policy has been so recently defeated by the Council referendum should not, under the shadow of a general election, disturb the community by introducing oppressive schemes of unnecessary taxation."

Question—That the word "now," proposed to be omitted, stand part of the question—put and negatived

HON. G. PAGE-HANIFY: It seems to me that this method of tacking a vote of want of confidence in the Government on to a motion of this sort by a bill of reasons—and we had a similar bill of reasons tacked on to the motion for the second reading of the Bill which has just been dealt with—is done for electioneering purposes, and is not quite fair, seeing that members are not given an opportunity of intelligently debating the reasons, as they have been read only once and are not in our hands. But I am satisfied that these two bills of reasons will afford the most valuable help during the recess to anyone who holds the view that I and others hold—that this Chamber is an unnecessary part of our constitutional arrangements. They will help us very materially in laying that view before the electors, so that for that reason I do not at all regret that hon. gentlemen have placed this material in our hands, because I am quite hopeful that what has happened all through in this Chamber,

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when it is represented to the people in a quiet, intelligent sort of way, will show them that they made a mistake when the question of the abolition of the Legislative Council was submitted to them; and I do not think they will repeat that mistake. Another aspect of the question that seems quite illogical is that when we have in one Chamber a party returned by the electors to govern the country, and they lay down a plan for financing the State after carefully considering everything, at the last moment when the Bills necessary to provide the funds to carry out the Government proposals are laid before this House, they are treated in the most casual sort of way and are thrown out without any consideration as to what shall be done to carry out the measures this Council has passed.

HON. E. W. H. FOWLES: This measure is to fill up the gap.

HON. G. PAGE-HANIFY: It is a part of the taxation which the other House has said is necessary to enable the Government to square the ledger, as the hon. gentleman termed it. The Government brought down Estimates of their anticipated expenditure and anticipated income, and they propose that the difference between those two should be provided by the measures which have been sent along to this House. If that is so, we shall seriously embarrass the administration of the country by throwing out these measures with such scant consideration. However, hon. members opposite are in the fortunate position of being responsible only to themselves and not being responsible to the electors; except so far as they can help their friends in the other Chamber, they do not care about the electors. But I am of opinion that they are not going to help their friends in the other Chamber when the election comes by their action in connection with these measures. It is a pity that the whole of the members of the Government could not have been here to listen to the homily given by our friend the Hon. Mr. Hawthorn. It is also a pity that the railway servants and the other public servants could not have been in the Chamber to have heard what we heard to-day as to how hon. members opposite would deal with the existing situation. Talk about class taxation! Evidently their idea of squaring the ledger does not rise very much above the idea of placing the whole of the taxation—not upon the shoulders of those who are best able to bear it, as the Government propose, but on the shoulders of the salary-earners in the public service. That is what the Liberal Government have done for many years past. The Hon. Mr. Hawthorn indicated exactly the rule of thumb method by which the country has been governed, or misgoverned, for so many years. He said—

“I am speaking as a past Treasurer, and I would guarantee that in two hours, with two or three Under Secretaries and the Commissioner for Railways, and a blue pencil, to cut down the Estimates so as to save the necessity for taxation.”

That is what past Liberal Governments have done. When trouble came along they placed the whole burden on the public servants of the State. That is class taxation in its worst form. It is to the credit of this Government that they have granted £450,000 in increases to the railway servants under an Arbitration Court award, and that they propose to make this up by extra taxation. Will

hon. gentlemen opposite suggest that those men are receiving more than a living wage, and that they should be reduced? They practically admit that that would not be a legitimate thing to do in ordinary times, but because it is war time, when people have to pay so much more for everything they consume, they seem to think that those men are not entitled to the increases that have been granted to them. But how inconsistent they are. They turn round and say that because it is war time the men with big incomes whom this Bill proposes to tax should not be taxed.

HON. G. S. CURTIS: There are very few persons receiving big incomes at the present time.

HON. G. PAGE-HANIFY: Then this measure will not hit them, because the increased taxation starts with incomes of £3,000 per annum—not the gross incomes, but the net income—and if it is not a fair thing to tax a man with £3,000 a year when the necessity arises, rather than a man who is barely getting a living wage, I do not know what is fair. We have heard a poll tax suggested in this Chamber; that is to say, that every man in the community, even though he may be on the border line of being able to support himself and his family, should be forced to pay this taxation.

AN HONOURABLE MEMBER: Some taxation.

HON. G. PAGE-HANIFY: Well, some taxation. I am convinced that there is not a man or woman in the community who does not pay a reasonable amount of taxation to both the State and Federal Governments. We know perfectly well that we cannot escape taxation. If a man has no

[8 p.m.] land he does not pay land tax,

and if he has no income he does not pay the income tax; but will anyone argue that a man can live without paying taxation? We pay taxation in every shape and form, directly and indirectly. It seems to me an abominable thing that in a Chamber like this, which consists of men who are in easy circumstances, members should always stand so solidly for the rights of property and never think a bit about the rights of humanity. That is all wrong. The Hon. Mr. Curtis is the champion for the rights of property, and other hon. gentlemen are vigilant in looking after the interests of property. Property and vested interests are thought of a great deal more than the interests of men and women in the community.

HON. E. W. H. FOWLES: Ridiculous.

HON. G. PAGE-HANIFY: The hon. member may think it ridiculous, but I do not think so.

The PRESIDENT: Order!

HON. G. PAGE-HANIFY: I do not think that the people generally will think it ridiculous. It is to the honour of the Government that when they thought it was necessary to put on taxation they brought in a Bill to impose further taxation. A Government does not put on taxation just for the love of doing so. I heard some remarks about confiscation, but there is no confiscation in these proposals. No Government would put on taxation if they could possibly avoid it. One of the reasons given by the Hon. Mr. Fowles why the Bill should not be accepted was because this is a moribund Government and is going out of existence. He stated that the Government would soon have to face the electors, and

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should not have brought down these taxation proposals. That shows the courage of the Government. The Government which the hon. gentleman was associated with would not have thought of bringing down taxation proposals just before an election. They would sooner have waited until the election was over. This Government, however, has the courage to bring in its taxation measures before the election takes place, and then go to the people. Since I have come into this House it has only confirmed the opinion I have always held about a nominee chamber. I do not think its existence is justified. We have plenty of material to go on the platform and show the electors that they were unwise in the decision they gave on the 5th May last in connection with the Legislative Council referendum.

HON. A. G. C. HAWTHORN: Spare us.

HON. G. PAGE-HANIFY: When another referendum comes the people, with the enlightenment which will come from this Chamber, will come to another decision.

HON. T. M. HALL: Why don't you set an example and resign yourself.

HON. G. PAGE-HANIFY: Both the Hon. Mr. Hawthorn and the Hon. Mr. Fowles suggested that the Government should adopt the policy of cheeseparating which was adopted previously. We know that the Government have had to build a good many unprofitable railway lines. They were not responsible for the building of those unprofitable railway lines. In a sparsely settled country like this where we are pushing out our lines everywhere, it follows that a certain number of the lines will be unprofitable. The Government is not responsible for that.

HON. E. W. H. FOWLES: Can you explain why the actual return on the capital invested has been dropping for the last three years?

HON. G. PAGE-HANIFY: There is a drop in the railways, and there is a drop in everything else, owing to the war conditions. We know that the cost of materials has been increased owing to the war. Every business man in this Chamber knows that the cost of things has increased materially owing to the war. I have received a circular letter from Mr. Badger in which he talks about the tremendously increased cost of everything in the running of his tramway system.

HON. E. W. H. FOWLES: But he is not showing a loss.

HON. G. PAGE-HANIFY: No, he is not. He is urging that certain things should not be done, but his remarks about the increased cost are probably accurate and correct. The Hon. Mr. Hawthorn quoted several questions at the conclusion of the report of the Commissioner for Railways, and he hangs on to them. A suggestion that the Commissioner for Railways points out that the public servants are playing the game which is so well played in this Chamber—that they are guilty of a go-slow policy, and they are imbued with I.W.W. ideas; that the Commissioner says he is not getting the value of the wages paid owing to the I.W.W. ideas. I think that the I.W.W. ought to sit in the galleries of this Chamber and learn how to do their business, because they do not half know how to have a lazy strike or to go slow. I do not think there is much left for me to say nor much to be gained, because all the talk in this Chamber is just hypocrisy.

HON. F. T. BRENTNALL: The whole thing is as false as can be.

HON. G. PAGE-HANIFY: I quite agree with the hon. gentleman. The whole thing is false, and no matter what arguments are used in debate they are thrown away in nine cases out of ten here.

HON. F. T. BRENTNALL: You are a bigger hypocrite than anyone.

HON. G. PAGE-HANIFY: There are a good many hypocrites here, at any rate.

The PRESIDENT: Order!

HON. G. PAGE-HANIFY: It was a pretty foregone conclusion that this Bill is going to be rejected. However, it will furnish the best arguments in favour of the abolition of this Chamber. I am hopeful that I will live to see the day when they will have only a one-chamber Parliament in Queensland.

HON. T. NEVITT: I have no desire to speak at any length, but as this is an important measure I might refer to some of the arguments raised by the Hon. Mr. Hawthorn. The hon. gentleman referred to the fact that the Treasurer received more revenue than he anticipated, and yet he spent more than he estimated. He considered that because the Treasurer received more money than he estimated he should have ended up with a credit balance instead of a deficit. One would think from the way the hon. gentleman spoke that the present Treasurer was the only one who did that. I took the trouble to look up the speech of a Treasurer supported by the Hon. Mr. Hawthorn at one time. It was when the Hon. Mr. Barnes was Treasurer in the year 1911-12, and he mentioned the following in his financial statement:—

“ Estimated revenue	... £5,046,207
Actual revenue	... £5,320,008.”

That was a net excess of actual revenue over estimated revenue of £237,801. The estimated expenditure for that year was £5,038,523, and the actual expenditure £5,314,737, or £276,214 over the estimate.

HON. E. W. H. FOWLES: But he had a surplus.

HON. T. NEVITT: But he spent considerably more than his increase in revenue.

HON. A. G. C. HAWTHORN: The money was coming in all the time.

HON. T. NEVITT: The fact remains that he spent more than his increased revenue, and the fact remains that his increased expenditure was greater than his increased revenue. The Hon. Mr. Hawthorn in referring to the railway revenue and expenditure pointed out that no attempt was made to keep down the expenditure. In the “ABC of Queensland Statistics” for 1917 I find the following:—

“ Train miles run in 1915,	12,030,044:
train miles run in 1916,	11,117,389.”

That showed a decrease of 912,655 train miles run. That shows a decrease in the train mileage, and it shows that there was an attempt made to reduce expenditure, although the hon. gentleman would lead this House and the country to believe that no effort was made to keep down expenditure.

HON. A. G. C. HAWTHORN: I quoted from the Commissioner's report.

HON. T. NEVITT: I am quoting from the “ABC of Queensland Statistics,”

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which is equally as good as the Commissioner's report.

HON. A. G. C. HAWTHORN: I was showing that the railways ended the year with a deficit of £750,000.

HON. T. NEVITT: One would think to hear the hon. gentleman speak that the Queensland railways are the only railways that were not paying at the present time. If we go to the other States where Liberal Administrations are in power we will find that the railways there also lost money last year. Yet the hon. member inferred that this was the only State that lost money over the railways.

HON. A. G. C. HAWTHORN: I did not say so.

HON. T. NEVITT: I have the latest figures on page 29 of the "ABC of Queensland Statistics," and they show the deficiency on the railways in the different States to be:—

	£
Queensland	806,000
New South Wales	212,000
Victoria	427,000
South Australia	241,000
Western Australia	78,000
Tasmania	83,000

So that every railway system in Australasia was a losing concern last year. Hon. members know the reason for that as well as I do, but they do not feel disposed to tell this House or the country.

HON. A. G. C. HAWTHORN: Our earnings were greater last year.

HON. T. NEVITT: Again, let me take the Auditor-General's report. On page 45 he says—

"Taking the present prices of twenty lines of material and comparing them with prices of similar lines just prior to the war, it is found there is an average all-round increase of over 170 per cent. while in the case of several lines of metals in frequent use the increases in price range from 200 to 400 per cent."

Is that not a sufficient answer to the hon. gentleman as to why the railways are not payable concerns? Owing to the cheese-paring policy of the hon. gentleman and his Government in not paying a reasonable rate of wage this Government had to give increases in wages totalling £445,000 a year. On top of that we are saddled with a 400 per cent. increase in the cost of material. If hon. gentlemen look at these figures from a fair and impartial standpoint, they will see that the railways are being administered to-day equally as well as they have ever been administered in the history of Queensland. I grant you that the Commissioner has submitted some questions to this Council, but I question very much whether he should not have answered those questions. He should at least have given us his opinion. I cannot speak for what the Government are going to do, but if it is thought desirable that a Royal Commission should be appointed, I shall support it, but it is a question whether we will derive any benefit. If you appoint a Royal Commission you ought to appoint men with some knowledge of the undertaking. Then, in regard to the loss on our railways, during the last year or two we have sent 40,000 men out of Queensland. If hon. members think for a

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moment, they must realise that those 40,000 men, had they remained in Queensland, would have produced a good deal. We have not only lost what they would have produced, but we have also lost what they would have paid by way of taxation. If these people had not gone away I do not think there would have been a deficit on our railways. The hon. gentleman tries to make a good deal out of the record railway earnings, but he must know that during the last two or three years there as been £2,500,000 spent on the railways.

HON. A. G. C. HAWTHORN: Out of loan.

HON. T. NEVITT: Out of loan, but the interest has to be met and that is one cause for the deficit. Then the hon. gentleman said that if he went to the departments with two or three Under Secretaries he could cut out half a million of expenditure.

HON. A. G. C. HAWTHORN: I said you could get two Under Secretaries and the Commissioner for Railways to reduce the expenditure to within the revenue.

HON. T. NEVITT: What does this cheese-paring policy mean to our railways? Is it not having the effect of reducing the safety of the travelling public? One hon. gentleman said there were a great many more lengthsmen working on the railways to-day than in years gone by. That may be so, but what are those lengthsmen there for, but for the safety of the public? Hon. gentlemen will remember the accident on the railway at Macalister. The result of the inquiry into that accident was not altogether satisfactory, but it was the opinion of many people that that accident was due to the cheese-paring policy of the Government. What was said in Victoria during the administration of the Tait Government? The cheese-paring policy was put into operation there more severely than in regard to any other railway system in Australia. How many serious railway accidents had they in Victoria which resulted in great loss of life and very heavy compensation? Had the railways been kept in an efficient state it is very questionable whether those moneys would have had to be paid away in compensation. It would have been far better to spend the large amount paid in compensation in keeping the railways in an efficient condition and it would have saved great loss of life. Hon. members on the other side are willing and anxious to increase the expenditure of the Government, but when it comes to asking them to dip their hands into the pockets of those well able to pay it, it is a horse of another colour. Last night we passed an iron and steel works Bill, which, personally, I was very pleased to see passed, but it involves the expenditure of £100,000.

HON. T. J. O'SHEA: Not ld. out of revenue.

HON. T. NEVITT: I know it is not out of revenue.

HON. T. J. O'SHEA: What has that to do with this?

HON. T. NEVITT: It has a great deal to do with it. Can you spend £100,000 out of loan money without having to pay interest on it? Therefore, in that connection the interest bill next year will be increased according to the amount spent on the iron and steel works. Then again, it must be

borne in mind that the Government last year relieved the farmers of this State of a burden of £200,000.

HON. A. H. PARNELL: And they put another £80,000 extra taxation on them in the shape of extra railway fares and freights.

HON. T. NEVITT: Did the farmers pay it?

HON. A. H. PARNELL: Yes.

HON. T. NEVITT: It is very easy for the hon. gentleman to say so, but he cannot prove it.

HON. A. H. PARNELL: Did they increase the suburban fares? No.

HON. T. NEVITT: I understand the hon. gentleman is a business man.

HON. A. H. PARNELL: I am.

HON. T. NEVITT: Are not the railways competing with the trams?

HON. A. H. PARNELL: The trams are keeping the fares down.

HON. T. NEVITT: That is what I am trying to tell the hon. gentleman, and he is blaming the Government for not increasing the fares. If we were to increase our suburban railway fares, instead of getting the revenue we have now, our revenue would decrease.

HON. A. H. PARNELL: No. The trams only run four or five miles out.

HON. T. NEVITT: I know the trams carry the traffic of this city. There is one other item worth mentioning. During the term of this Government it was necessary to convert £11,500,000 of loan money. We were paying for that money, on an average, 3½ per cent. and we have to pay now, on an average, 1½ per cent. to 1½ per cent. more. That extra interest on £11,500,000 is a very considerable increase and it has to be made up somewhere. This Government considers this taxation is one of the best means of making it up.

HON. E. W. H. FOWLES: They did not mention that as a reason for extra taxation.

HON. T. NEVITT: Whether they mentioned it or not I am mentioning it, and the hon. gentleman cannot deny that they had to find that increased amount of interest, and they got benefit from it. The money had already been spent. The fact remains that their interest bill was increased by £100,000 a year. This tax, if it is passed, is going to hit the pastoralists of this country.

HON. A. G. C. HAWTHORN: They pay over 40 per cent. of the income tax now.

HON. T. NEVITT: In 1915 they paid 44.34 per cent., and in 1916 they paid 54 per cent. I will give the figures. In 1915 there were 1,826 pastoralists, and their income from property was £33,445. The tax paid was £4,880 13s. 4d. Their income from personal exertion was £2,735,217, and the tax paid was £152,576 9s. 7d., or a total income of £2,828,552, and the tax works out at 44.34 per cent. of the total income tax paid in Queensland. Now, take the following year, and what do we find? There were 2,522 pastoralists, and their income from property was £108,491. They paid income tax amounting to £5,556 16s. 1d. Their income from personal exertion was £3,976,049, and the tax on that amounted to £225,356 15s. 8d. Their total income was £4,084,531. And the

total tax worked out at 54.31 per cent. of the tax paid in Queensland. We find that the income of the pastoralists of this State increased in one year by 45 per cent.

HON. E. W. H. FOWLES: It is only one-third of the total taxable income.

HON. T. NEVITT: Did their expenses increase in the same ratio, or anywhere near it? Did their rents increase in any shape or form?

HON. A. A. DAVEY: When they get a drought their income does not increase.

HON. T. NEVITT: I am speaking of the figures we have here.

HON. A. A. DAVEY: You must recognise that they suffer from drought sometimes.

HON. T. NEVITT: If there is a drought, does nobody else suffer? When you have your swag on your back travelling about the country looking for a job, and a drought comes along, you know it.

HON. E. W. H. FOWLES: I would not grudge them a good year or two.

HON. T. NEVITT: I begrudge nobody a good year, but I say, in all fairness, that they should pay a fair and reasonable amount of taxation, and those are the people who will pay under this proposal, and practically the only people.

HON. A. G. C. HAWTHORN: What do they pay as Federal tax?

HON. T. NEVITT: When I put the figures before hon. members and show that these people should pay this tax, the hon. gentleman refers me to the Federal Government. I want the hon. gentleman to look the facts squarely in the face. When a person's income increases 45 per cent. in one year, and his expenses do not increase at all, is it not a fair thing to ask him to pay a little more in taxation, as we are doing under this Bill?

HON. E. W. H. FOWLES: Look at the other side. They are getting one-third of the income, and they pay 54 per cent. of the total tax.

HON. T. NEVITT: I have possibly as intimate a knowledge of the pastoral industry as the hon. member. I know station properties that have been in the same families for over thirty years, and their rents are practically the same to-day as [8.30 p.m.] they were then. I have seen cattle delivered at the slaughter-yards at 17s. 6d. a head—not once but many times. I have known several men send cattle from the Gulf country down to Muswellbrook in New South Wales, and they did not realise sufficient to pay the droving expenses. Those stations are practically paying the same rents now as they paid in those days.

HON. A. A. DAVEY: You would not like to see those conditions again, would you?

HON. T. NEVITT: I would not, and I do not think any other hon. member wants to see them. But I am pointing out that if the amendment is carried, it will be an injustice, because these men are very well able to pay this extra taxation. This is one of the easiest forms of taxation and one of the easiest to collect; and our friends are very great on economy. The cost of collection only amounts to 1.25 per cent. Hon. members should therefore give us credit for being economical. We are not spending a lot of money in the collection of revenue. I think

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I have given sufficiently logical reasons why the Council should help the Government to balance the ledger. (Hear, hear!)

HON. R. BEDFORD: The alleged reasons given for the side-tracking of this Bill absolutely set up a record for hypocrisy even in this Chamber. We have heard the word "worker" used, and quite a lot of crocodile sympathy given for the worker. There is no attempt in this Bill to get at anybody who can be classed as a worker in the ordinary sense of the term, as the exemption starts at £3,000. I do not think that the Hon. Mr. Fowles intended us to believe what he said about the worker, but that what he said was really intended for electioneering purposes.

HON. E. W. H. FOWLES: Doesn't it hit mutual insurance companies?

HON. R. BEDFORD: And why not?

HON. E. W. H. FOWLES: Aren't the policy-holders workers?

HON. R. BEDFORD: It hits the small shareholder certainly, but it hits the companies in globo; and a mutual company can have twenty-five or thirty people as wealthy as any one of those who will not be exempted. The line of argument adopted has been generally in the direction that this Government have done wrong in suspending the sinking fund. But Britain has had to suspend the sinking fund. Of course, the natural retort to that is that there is a war on. But is New South Wales any more at war than Queensland? Another statement made is that the Victorian position in regard to railways is better than the position in Queensland; but there is no analogy between the positions at all, because Victoria is a small State—not a quarter the size of Queensland—with a large quantity of dense railway mileage, and a population two and a-half times the population of Queensland. The Hon. Mr. Curtis's idea was that generally the Government in their attempts to square the finances ought to be penalised, because a portion of the loss on the railways was brought about by a very necessary increase in wages. The hon. member's idea was that the great loss in the working of the railways was due to the fact that the men were slowing down.

HON. G. S. CURTIS: I did not say that.

HON. R. BEDFORD: The hon. member said that the Commissioner complained that the men were not doing a fair day's work.

AN HONOURABLE MEMBER: It was the Hon. Mr. Hawthorn who said that.

HON. A. G. C. HAWTHORN: I quoted from the Commissioner's report.

HON. R. BEDFORD: Judging generally from the remarks I heard the Hon. Mr. Curtis make, he was complaining that the men were not giving a fair day's work for a fair day's wages.

HON. G. S. CURTIS: I believe in that principle.

HON. R. BEDFORD: I know the hon. member does, and so do we all. The hon. member believes that the State worker, especially on the railways, has not been giving a fair day's work for a fair day's wage.

HON. G. S. CURTIS: I did not say that.

HON. R. BEDFORD: I thought the hon. member was working up to 20th December in this attempt to get industrial conscription, which is the real thing hon. members opposite

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are aiming at. The position generally in regard to the railway business, so far as we can get it from the other side, is that it is wise to cut down fares and freights, that it is also a good thing to cut down wages, and that it is also a very good thing not to impose any extra taxation for the purpose of making up for the loss that would accrue from the lower fares and freights. Apparently, they want a millennium. They want railways in heaven, and they cannot possibly get them. Right from the beginning to the end of the financial proposals of the Government, the whole scheme seems to be—recognising that the finances are in a much worse position by reason of the war than they would otherwise be—that the Government are to be thwarted in every attempt to make the finances square. As a matter of fact, this very irresponsible Chamber, which has never to face anybody, is attempting to sprag the wheels, and the Government, who have to face the people in five or six months, have to stand or fall by their policy.

HON. A. H. PARNELL: Didn't we face the people in May last?

HON. R. BEDFORD: You didn't face anyone, and never will; and, if you and many others on that side were to face the electors once, you would never face them again. The next thing you would face would be the cemetery.

HON. P. J. LEAHY: You faced the people three times in Victoria.

HON. R. BEDFORD: I did, and I was taken down simply because they did not know me. Now the people have not turned me down when they do know me.

THE PRESIDENT: Order!

HON. R. BEDFORD: I think any references to the hon. member's incursion into this Chamber would be very risky. But hon. members need not worry about me. Everyone knows that the caucus voted for me, and, as the caucus represents the people, from whom they have only been away two and a-half years, I represent the people much more directly than any hon. member on the other side.

HON. P. J. LEAHY: The people never voted for you.

THE PRESIDENT: Order!

HON. E. W. H. FOWLES: What about the Income Tax Bill?

HON. R. BEDFORD: The whole business in connection with this interference with money Bills is laid down in Keith's "Responsible Government in the Dominions." That book includes the report of the Judicial Committee of the Privy Council of 27th March, 1896, on a question submitted by Sir Samuel Griffith on the powers of this particular morgue here.

HON. P. J. LEAHY: I rise to a point of order. Is the hon. member justified in referring to the Council as a morgue?

THE PRESIDENT: The hon. member is not in order in using such an expression with respect to the Council.

HON. R. BEDFORD: I was only saying that it is a morgue, except when there is a division.

HON. P. J. LEAHY: The question then submitted referred to amendments in money Bills, and not to amendments on the motion that the Bill be now read a second time.

HON. R. BEDFORD: This is the way you get away from amending the Bill, by amending it out of existence.

HON. P. J. LEAHY: We have the Constitutional right to reject a Money Bill on the second reading.

HON. R. BEDFORD: I am assured by immeasurably better lawyers than the bush lawyers over there, that you have no such right. According to "Keith," the questions submitted for the decision of the Privy Council were—

"1. Whether the Constitution Act of 1867 confers on the Legislative Council power co-ordinate with those of the Legislative Assembly in the amendment of all Bills, including Money Bills.

"2. Whether the claims of the Legislative Assembly as set forth in their message of 12th November, 1885, are well founded."

And the Judicial Committee reported—

"Their lordships agree humbly to report to Your Majesty as their opinion that the first of these questions should be decided in the negative, and the second in the affirmative."

Therefore, this House, no matter by what subterfuge it endeavours to get away from the fact that this amendment is merely a way of getting rid of the Bill on the second reading, still stands in the position of being an impudent usurpation of the rights of the one House that stands for the people.

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

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" F. T. Brentnall	" P. J. Leahy
" C. Campbell	" C. F. Marks
" J. Cowlshaw	" E. D. Miles
" G. S. Curtis	" C. F. Nielson
" A. A. Davey	" T. J. O'Shea
" A. Dunn	" A. H. Parnell
" B. Fahey	" E. H. T. Plant
" E. W. H. Fowles	" W. Stephens
" H. L. Groom	" H. Turner
" T. M. Hall	" A. H. Whittingham

Teller: Hon. P. J. Leahy.

NOT-CONTENTS, 12.

Hon. R. Bedford	Hon. F. McDonnell
" W. R. Crampton	" T. Nevitt
" W. H. Demaine	" G. Page-Hanify
" A. J. Jones	" I. Perel
" H. Llewelyn	" E. B. Parnell
" L. McDonald	" W. J. Riordan

Teller: Hon. R. Bedford.

Resolved in the affirmative.

Question, as amended—That the Bill be read a second time this day six months (for the reasons given)—put and passed.

SUSPENSION OF STANDING RULES AND ORDERS.

The SECRETARY FOR MINES: I ask leave of the Council to move a motion without notice.

The PRESIDENT: It is irregular to move a motion after the Orders of the Day have been called on, but, with the leave of the House, I think the hon. gentleman may move his motion.

HONOURABLE MEMBERS: Hear, hear!

The SECRETARY FOR MINES: I move—

"That so much of the Standing Rules and Orders be suspended as would

otherwise preclude the passing of Appropriation Bill, No. 4, through all its stages in one day, and the passing of the undermentioned Bills through all their stages in one day—Public Works Land Resumption Act Amendment Bill, Local Authorities Acts Amendment Bill, State Children Act Amendment Bill, Bundaberg Harbour Board Act Amendment Bill, Pharmacy Bill, and the Clermont Flood Relief Act Amendment Bill."

HON. A. G. C. HAWTHORN: Before we pass the motion, I should like to have an intimation from the Minister as to when we are going to close the session. We have been working for the last week or two on the understanding that we are going to close the session to-morrow. It seems to me that it is an impossibility with the business we have on the sheet, and the business there is on the Assembly sheet to close the session to-morrow, and I think the Minister should take the House into his confidence, and tell us when he expects the session to close.

The SECRETARY FOR MINES: It will be impossible, as the hon. gentleman has said, to close the session this week, although we had hoped that we might have done so. If the House will sit to-morrow and Monday, I hope that we shall be able to finish our business by Tuesday. If it will meet the convenience of hon. members, I should like to sit on Monday.

HON. E. W. H. FOWLES: Monday is not a good day for country members.

The SECRETARY FOR MINES: If we sit on Monday, I promise not to go on with contentious business on that day.

HON. P. J. LEAHY: Will it not be much better to decide that matter to-morrow?

The SECRETARY FOR MINES: Very well, we will leave the decision of that matter till to-morrow. If we sit on Monday, I hope we shall be able to close the session on Tuesday, or at latest on Wednesday.

Question put and passed.

PUBLIC WORKS LAND RESUMPTION ACT AMENDMENT BILL.

SECOND READING.

The SECRETARY FOR MINES: The object of this Bill is to amend the Public Works Land Resumption Act of 1906, with a view to giving the Government power to resume certain lands. Under the Public Works Land Resumption Act we have power to resume land *inter alia* for railway purposes, and this Bill seeks to give the Government power to resume land for township purposes. We may find it necessary to resume land for a railway, and also land for forming townships along that railway line. Hon. members know as well as I can tell them, that in many parts of Queensland where land has been enhanced in value to a considerable extent by the construction of a railway, townships have been formed on private land, and the local authorities have had no power to reserve any of the land for parks or other public purposes. Neither have the Government had that power, with the result that townships have not been laid out in a proper manner. I have in my mind the town of Kingaroy. The Government built that line from the then terminus,

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Kilkivan, to the 56-mile peg. The land at the 56-mile peg was private property, and a township had to be formed there heedless of the fact that a few miles further on there was a good site for a township on Crown land. Some of that land was purchased for 2s. 6d. per acre, and it brought as much as £160, and in one instance £800, per quarter of an acre shortly after the township was established. The Government very often find themselves in the position of having to buy land on which to erect public buildings, but if this measure is passed they will be able to resume land for such purposes. That is the object of the Bill, and I am sure it is an object that will meet with the approval of this House. I have much pleasure in moving—That the Bill be now read a second time.

HON. C. F. NIELSON: The Bill is, no doubt, necessary for the purposes explained by the Minister, and against those purposes I have nothing to say, but I should like to know from the hon. gentleman what is the definition of "township settlement, townships, and township purposes." I know of no Act on our statute-book where that expression is used. In the Crown Lands Act and the Local Authorities Act we have the expressions "town allotments" and "suburban allotments," but the word "township" is quite a new word, so far as our legislation is concerned, and I think it should be defined, and not left to the dictionary meaning. Another thing which strikes me is that there is no provision limiting its operation to the purposes mentioned by the Minister. There is nothing in the measure to prevent the Government resuming a residential block of 2 acres in a town, or compelling the owner to cut it up into small allotments. That is not a good thing to do, because, if 16 perches is too small for an allotment for health reasons, the larger it is the

[9 p.m.] better it is from a health point of view. There is nothing in the Bill to prevent the resumption for township purposes of any small area of land. A man might be living with his family for years on a 2-acre or a 5-acre block, and, if there is sufficient agitation, the Government might be able to resume that land, and cut it up into ¼-acre allotments. The Bill ought to specify the meaning of "township settlements," "townships," and "township purposes," and it should prevent the resumption of any land below a certain defined area.

HON. P. J. LEAHY: I have been looking at the Bill, and it seems a comparatively innocent Bill, yet I can see there may be a good deal in the point raised by the Hon. Mr. Nielson. There ought to be some limit to the powers of the Government so far as the resumption of land is concerned. Under this Bill the Government could resume ½ acre or 1 acre of land. I do not suppose it is the intention of the Government to resume 1 acre of land for township purposes. I have no objection to the Bill if we can put in some amendment to limit the area which may be resumed. We are giving power to the Government under the Bill to resume half an acre of land for township purposes. I take it that their intention is to resume 5 or 10 or 20 acres of land for township purposes and not a small area. They might even resume a 16-perch allotment under this Bill. There ought to be a limit to the area that can be resumed. There is no definition of "township," and we might

provide for it in this Act. It is more a matter for the Committee, and perhaps we can deal with it at that stage.

HON. A. G. C. HAWTHORN: I think there ought to be some definition of "township." At the present time we do not know what a "township" is. This Bill might give the Government power to do what they are not able to do at present, and that is to resume one half of Musgrave Park in South Brisbane for purposes of their own. I would like to know from the Minister if it is the intention of the Government to make use of this Bill to take over Musgrave Park, as it is reported that the Government are trying to get hold of that park.

The SECRETARY FOR MINES (in reply): I would suggest that we pass the second reading of the Bill to-night and let the Committee stage stand over till to-morrow. (Hear, hear!) I cannot give a definition of "township" now, but we shall be able to arrange it in Committee to-morrow.

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

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

LOCAL AUTHORITIES ACTS AMENDMENT BILL.

SECOND READING.

The SECRETARY FOR MINES: I beg to move.—That the Bill be now read a second time. This Bill amends section 149 of the principal Act by inserting, after the word "light" wherever that word occurs, the words "other than electric light." It also amends section 226 to remit any rates for which any soldier on active service is liable.

HON. A. G. C. HAWTHORN: You might read us section 149.

The SECRETARY FOR MINES: Section 149 of the principal Act reads as follows:—

"Where under any Act or order in force at the commencement of this Act any company is empowered to carry on the business of the supply of light or hydraulic or other power, nothing in this Act shall be construed so as to authorise a local authority within whose area such business is carried on to compulsorily purchase and take from such company its undertaking except upon the terms and conditions, if any, in such Act or order mentioned.

"But if any such Act or order makes no provision for the purchase of such undertaking by the local authority, or if any company is carrying on the business of the supply of light or hydraulic or other power with the permission of the local authority without any statutory powers in that behalf, then the local authority at any time after the commencement of this Act may, by giving at least six months' notice to the company, and subject to the Public Works Lands Resumption Acts, purchase and take from the company its undertaking, with the goodwill of its business as a going concern, and also the whole of the lands, buildings, works, mains, pipes, and apparatus of the company used by it in

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or in connection with the business which by the Act or order it is empowered to carry on.

"Subject to and without prejudice to any existing rights, it shall not be lawful for a local authority to enter upon the manufacture or supply of light"—

We propose to insert "other than electric light" there. Then it goes on—

"or hydraulic or other power in any case where any company is carrying on business as aforesaid unless or until such local authority has exercised its powers of purchase in the Act or order or in this section contained or has otherwise acquired the undertaking of the company."

Under present conditions a local authority cannot compete with an existing lighting company. A private company may get an Order in Council to compete with an existing lighting company, but the local authority cannot do so. Take a city like Maryborough. It might be beneficial to the people, and profitable to the Council, to run an electric tram system. They can do that, but they cannot use the same electric power for lighting the town by electricity. I am sure the Bill will meet with the hearty approval of all local authorities, because it will enable them to go in for electric lighting if they wish to do so. I might mention that the town of Thargomindah was the first town in Australia to be lighted with electricity, and the Hon. Mr. Leahy, a member of this Chamber, was the person responsible for that.

Hon. P. J. LEAHY: I bought the plant, and it is still going.

The SECRETARY FOR MINES: I believe the light went out when the hon. gentleman left Thargomindah. (Laughter.)

HON. A. G. C. HAWTHORN: The Minister says that this Bill merely gives local authorities the power to introduce electric lighting into their areas if they desire it. Is that the sole power of the Bill?

The SECRETARY FOR MINES: Yes.

Hon. E. W. H. FOWLES: It also exempts absent soldiers from rates.

HON. A. G. C. HAWTHORN: We all agree with that, but it was the other point I was referring to. I do not think that the Minister has given us all the information that he could have given us. It seems to me that there is something more behind this than we know of. I have not heard of any particular demand from the local authorities for this Bill, and I think the Minister should give us a little more information as to who has prompted it. Personally, I should like to see the local authorities have power to supply electric light, because I notice lately that Orders in Council have been granted to companies in and around Brisbane enabling them to go into any area.

The SECRETARY FOR MINES: This was in the Local Authorities Bill last year, but the franchise clause was responsible for its being lost.

HON. W. STEPHENS: Does this Bill mean that any local authority will have power to buy a plant and run this business? In a city like Brisbane, would it have power to run the tramways?

The SECRETARY FOR MINES: The local authorities cannot compete with an electric lighting company at the present time unless they buy the company out.

HON. W. STEPHENS: I am not too sure of that. If the gas company is supplying gas and Mr. Badger comes along with his electric trams, he can supply electricity in opposition to the gas company if the local authority likes to engage him. I know that out in the Stephens Shire the gas was not too good, and we went to Mr. Badger, and Mr. Badger put up poles and gave us the electric light. Do I understand that all the Government is asking for is that, if there is a gas company and an electric light company, the local authority can, if they like, get either gas or electric plants and compete with other people? Is that so?

The SECRETARY FOR MINES: Nothing more and nothing less.

HON. W. STEPHENS: If the Bill means that and no more, I will give it my hearty support.

HON. W. H. DEMAINE: I believe I am partly the instigator of this Bill. Some four years ago a concession was sought by an electric light company to light the city of Maryborough and provide electric power. The company got an Order in Council through the local authority, but the ratepayers, by petition, objected to the concession and demanded a poll, and the proposal was defeated. Then it was found that they were up against the Local Authorities Act which prevented them, because of the existence of the Maryborough Gas Company, from entering into any business for the lighting of the city, and that obstacle has been standing in the way ever since. At that time the Maryborough Council could have obtained the money from the Commonwealth Bank to start the electric light business, but they could not take advantage of that offer by reason of that section in the Local Authorities Act, and this short Bill is brought forward to remove that disability. If the Bill is passed any local authority, where there is any existing gas company or electric light company, can compete with that company or companies without having to purchase their rights. I understand this matter has been considered at the various annual conferences of the local authorities for some years past, and they are practically unanimous in desiring the disability removed. At the present time the Maryborough Council cannot compete with the gas company, but any private company can get an Order in Council and compete. A public utility like this should be in the hands of the local authority.

HON. F. McDONNELL: I remember that about fifteen or sixteen years ago an effort was made to do something like this in Brisbane. There was a poll taken at the time to purchase the Electric Light Company's business, but, unfortunately, the Local Authorities Act provides that only the owners of land can vote at a poll, with the result that the proposal was turned down. Had the whole of the people been allowed to vote, they would have decided in favour of the proposal. Ever since that time we have had to rely on a private company for our electric light in Brisbane. As far as I understand the Bill, it is to give the local authorities the right to supply electric light and gas, but, if the Bill means that we are conferring on the municipalities of Brisbane and the surrounding districts the power to run the Brisbane tramways, I would feel disposed to oppose it, because I think the greatest

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misfortune that could happen to Brisbane would be for the local authorities to get hold of our trams. I would much prefer to see the trams run as they are by a private company to seeing them run by the local authorities. I am a strong believer in the Government running the trams, and I think they would make an awful mistake if they attempted to hand over the Brisbane trams to the local authorities. This Bill proposes to give the local authorities the right to supply either gas or electric light.

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

HON. F. McDONNELL: So far as we have heard yet, that is what the Bill means.

HON. E. W. H. FOWLES: There is no gas in this Bill.

HON. F. McDONNELL: If this Bill is passed, the local authorities will have the right to supply electric light, which they have not got at the present time. At the present time they must buy out any electric lighting company before they can supply electric light themselves.

HON. E. W. H. FOWLES: This Bill empowers them to start in competition. That is all.

HON. P. J. LEAHY: I do not rise in opposition to this Bill, but I should like some information from the Minister. We all know that the existing electric light companies are working under Orders in Council, and I would like to know whether this Bill is in any way a breach of faith with those people? When they got these Orders in Council it may have been understood that they were protected from competition for some time.

THE SECRETARY FOR MINES: I suggest that we go on with the second reading of these Bills, and leave the Committee and third reading stages until to-morrow. That will give hon. members an opportunity of considering them.

HON. P. J. LEAHY: That will give me an opportunity in Committee to make any remarks I feel necessary.

HON. T. J. O'SHEA: I have read the Bill, and I have listened to the speech of the Minister. To begin with, he missed the point, because he referred to the amendment as only applying to the third paragraph of section 149. As I read it, it applies also to the first paragraph, because the word "light" appears in the first line of the first paragraph, and in the third line of the third paragraph. I want to know what it means, and I must confess that the Minister has not enlightened me. What is there that cannot be done now that this Bill seeks to accomplish?

THE SECRETARY FOR MINES: A local authority now cannot compete with an existing electric light company unless they buy the company out.

HON. T. J. O'SHEA: That applies also to gas companies. Why have a one-horned affair? Why not apply it to gas?

THE SECRETARY FOR MINES: I suppose there is very little gas used now.

HON. T. J. O'SHEA: I live in a suburb not more than 2 miles from Victoria Bridge. I have a cottage there that I like to make comfortable, and for six years I have been trying to get electric light and cannot get it.

THE SECRETARY FOR MINES: This will enable you to get it.

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HON. T. J. O'SHEA: It will not, simply because the local authority will not tackle the scheme, and the Government will not give the electric light company an Order in Council to supply it. I understand that the City Electric Light Company offered to take their current there, but there is a baulk. There is a line of demarcation between North Brisbane and Toowong over which they are not allowed to cross, and for six years I have been punching away as hard as I can to try and get electric light. I actually tried to get it from the Toowong railway station through the Railway Commissioner, and he, with the consent of everybody concerned, volunteered to let me have it by paying the usual rates and costs. I was then told that the supply was so irregular and unreliable that they could not tap it, and I have had to go along

[9.30 p.m.] with a very inferior article in the shape of gas. I may say that I have complained many times of the quality of the gas, but though I was willing to pay for a better article I could not get it. Every facility should be given for the use of electric light and power, as it is the modern and attractive form of light and power, and is the cleanest, handiest, and least dangerous of all. The amendment is apparently very simple, and only proposes to interpolate three or four words. Under the old Act there was a limitation to the extent that, if there was an electric light company or a gas company in operation, it was fair that a company which had invested a great deal of money in installing electric light or gas, or both, because of the franchise which had been granted to it, should not have its franchise suddenly taken away or its investment swept away.

HON. W. H. DEMAINE: Yet a private company would be allowed to compete with them.

HON. T. J. O'SHEA: The question is how far it is fair to interfere with the franchise of people who have spent their money under the protection of that franchise. What is the good of luring men on to spend their money unless they are protected? Every pioneer company deserves the gratitude of the people amongst whom it comes. As a rule pioneers lose their money, but the locality benefits; and, when a franchise is granted to a company, thereby inducing it to spend its money for the benefit of a locality, it is not a fair thing lightly to interfere with the privilege that has been granted and which induces the company to spend its money.

HON. E. W. H. FOWLES: Was a monopoly promised?

HON. T. J. O'SHEA: I will not say a monopoly was promised.

HON. W. H. DEMAINE: It is a monopoly against the municipal council.

HON. T. J. O'SHEA: As a rule a franchise is given for a number of years, varying from fourteen to forty-two.

HON. W. H. DEMAINE: There is no limit in the case of Maryborough. It has gone for fifty years now. The Maryborough company cannot be competed with by the Council unless this Bill is passed. The anomaly is that a private company can come in and compete with them.

HON. T. J. O'SHEA: I was referring to franchises granted by the Crown. I do not

know what the position is in Maryborough. Possibly the Maryborough Gas Company is under an Act, and in that case it would require an amending Act to vary the franchise. The Brisbane Gas Company is under an Act. I think Parliament should encourage the use of gas and electric light and power in every little settlement in the State.

HON. W. H. DEMAINE: The Maryborough Gas Company will not use its electric light and power franchise, and they will not allow anyone else to use it.

HON. T. J. O'SHEA: I understand that a franchise was granted in Maryborough for electric light.

HON. W. H. DEMAINE: Yes, but the rate-payers objected to it, saying that they wanted to supply it themselves.

THE SECRETARY FOR MINES: We took a poll and were defeated.

HON. T. J. O'SHEA: I am not adverse to the principle of the Bill, but I am still in doubt as to its effect. If Maryborough wanted electric light and power, why did they not bring in a Bill for Maryborough alone? There would be nothing to prevent the hon. member, especially since he came into this Chamber, using his influence to get an Act passed to enable Maryborough to get what it wants. This provision is a one-horned one. It does not affect gas, but only electric light.

HON. W. H. DEMAINE: You believe in electric light. Why worry about gas?

HON. T. J. O'SHEA: I believe that those who want electric light should be allowed to get it. I do not know that the Bill will be the great acquisition its sponsors seem to think it will be. I am certainly in doubt about it, and I hope it will not be taken in Committee to-night, so that we may have an opportunity of looking into it.

THE SECRETARY FOR MINES: We will only pass the second reading to-night.

HON. T. J. O'SHEA: I am prepared to agree to the second reading and to give the matter further consideration in Committee. I may say that, if there is anything I can do to extend and encourage the use of electric light in every part of the State, I will do my utmost to assist in that direction. It is not many years since I passed through the United States of America, and I was surprised to see little villages away in the wilderness with their own electric light plants, many of them worked by water power at a merely nominal cost. But even where water power was not available you would find every little two-roomed cottage with one or two electric light bulbs. Why is that not so in Queensland? Because difficulties are thrown in the way on every hand. Personally, I feel very keenly the fact that I have been prevented for nearly seven years from getting electric light. The City Electric Light Company were prepared to supply the current to Toowong years ago, but they were told they had no franchise, and they were prevented from getting one. Any Government that prevents such a useful, healthful, and beneficial utility as electric light from being supplied to the public is not doing its duty to the people of the State.

HON. W. H. DEMAINE: That is the object of this Bill.

HON. E. W. H. FOWLES: I happen to know the reason for this amendment, and I only rise to endeavour to make clear to one or two hon. members what the amendment means. It refers only to electric light companies. It does not touch gas companies or hydraulic power companies, or anything but electric light companies. In the next place, under the present Act, wherever there is an electric light company, unless that company is bought out, a local authority cannot manufacture electric light.

THE SECRETARY FOR MINES: That holds good of a gas company too.

HON. E. W. H. FOWLES: Yes, they have to buy out the gas company too. This amendment says that in any city where there is an electric light company the local authority can start and manufacture and supply electric light and power without having to buy out the existing company.

HON. W. J. RIORDAN: Don't you think that is fair?

HON. E. W. H. FOWLES: I express no opinion on that. I expressed my opinion on it eight months ago, and this is the result.

Question put and passed.

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

STATE CHILDREN ACT AMENDMENT BILL.

SECOND READING.

THE SECRETARY FOR MINES: Under the present Act a child is admitted as a State child up to the age of thirteen years, but at that age must be discharged. The Act proposes to increase the maximum age from thirteen to fourteen years. It further provides that the following words in the principal Act, "not exceeding 6s. a week, or, in case such child is crippled, invalid, of unsound mind, dumb, or blind, at such greater rate as the Minister may determine" shall be repealed. The principal Act is a humane piece of legislation, and this Bill is a further step in the direction of looking after the unfortunate child who has to be taken over by the State, and of further assisting the mother or foster mother. I think the House might well pass the second reading of the Bill without any further explanation, as I am sure it will commend itself to every member of the Chamber because of its humanitarian provisions. The Bill can be considered in Committee to-morrow, so that hon. members will have ample time to study it if they are at all suspicious that under this measure we can commandeer a ship or start iron works. I move—That the Bill be now read a second time.

Question put and passed.

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

BUNDABERG HARBOUR BOARD ACT AMENDMENT BILL.

SECOND READING.

THE SECRETARY FOR MINES: This Bill is similar to other Harbour Board Acts Amending Bills which have been passed by this House, and provides for a new franchise

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for the election of members of the harbour board—namely, the local authority franchise. It provides that the shires of Woongarra, Barolin, Gooburrum, Isis, Perry, and Kolan shall be entitled to elect one member each, and that the city of Bundaberg shall be entitled to elect two members. The Cairns Harbour Board Act and the Townsville Harbour Board Act have been altered on the same lines, and this measure will simply bring the Bundaberg Harbour Board Act into harmony with those Acts. It is a democratic measure and is not contentious. I move—That the Bill be now read a second time.

HON. C. F. NIELSON: I should like to ask the Minister where there has been any request for this measure. The first I knew of this Bill coming along was when I saw it on the business-sheet. I live in Bundaberg, and have heard of no demand for the Bill. The Bundaberg Harbour Board, the Bundaberg Chamber of Commerce, and the Bundaberg Mercantile Association have wired me objecting to the Bill.

The SECRETARY FOR MINES: What are their grounds of objection?

HON. C. F. NIELSON: I will read their telegrams. The president of the Chamber of Commerce wired me as follows—

“Protest against altering Bundaberg Harbour Act until principal Act amended.”

Mr. A. A. Macgill wired as follows—

“Bundaberg Harbour Board Amending Act not equitable in representation; Kolan should be included; but nine members preferable to ten; retirement whole board after three-year term undesirable; one-third annually preferable.”

Mr. E. T. Amos, chairman of the Mercantile Association, wired as follows:—

“Protest against altering Bundaberg Harbour Act until principal Act amended. Suggest principal Act provide for harbour areas giving boards power to collect harbour rates in lieu of harbour dues; ratepayers then exercising votes.”

I have heard no demand for any alteration in the franchise on the lines set out in this Bill, and I have seen nothing about it in the newspapers of late. I remember that a few years ago there was some discussion on the matter.

HON. P. J. LEAHY: Who has asked for the Bill? Who wants the Bill?

HON. C. F. NIELSON: I do not know who knows, but I do not know. To-day one of the leading members of the Woongarra Shire Council, who is in Brisbane, reminded me that there is an alteration being made in the shires in that district, which will come into effect on the 1st January next, when one shire mentioned in the Bill will be abolished. The city of Bundaberg is to get two representatives under the Bill. The Shire of Barolin will be abolished on the 1st January next, and will then become part of the Shire of Woongarra. The valuations in the Shire of Woongarra will then be about 50 per cent. more than the valuations of rateable property in the city of Bundaberg. Therefore, Woongarra should have more representatives than the city of Bundaberg. Woongarra at the

present time, by reason of its agricultural product in the shape of sugar, provides pretty well the bulk of the revenue of the harbour board. Altogether, I think the Bill might be left over until next year, when the reorganisation of the shires will have been effected.

The SECRETARY FOR MINES: There is a provision in the Bill to meet the case of Barolin.

HON. C. F. NIELSON: That may be so, but I maintain that the Shire of Woongarra should have three representatives if the franchise is to be the local authority franchise, as Woongarra will have 50 per cent. higher rating responsibilities than Bundaberg, which is given two representatives. Personally, I do not object to the Bill, but I think there is no demand for it, and that it might very well be left over till next session.

Question—That the Bill be now read a second time—put; and the Council divided:—

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“ E. W. H. Fowles	“ A. H. Parnell
“ H. L. Groom	“ W. Stephens
“ P. J. Leahy	“ H. Turner
“ C. F. Marks	

Teller: Hon. E. W. H. Fowles.

Resolved in the affirmative.

The consideration of the Bill in Committee was made an Order of the Day for to-morrow.

PHARMACY BILL.

SECOND READING.

The SECRETARY FOR MINES: This is a Bill to make better provision for the registration of pharmaceutical chemists, and to regulate the practice of that profession. Clause 2 repeals the Pharmacy Act of 1884.

The Bill provides for the formation of a pharmacy board consisting of representatives appointed by the Government and members elected by the chemists, and a registrar has also to be elected. It is a Bill of 31 clauses, and we can pass the second reading to-night and take the measure in Committee to-morrow. I move—That the Bill be now read a second time.

HON. W. F. TAYLOR: This Bill repeals the Pharmacy Act of 1884. Since that date, or for a period of thirty-three years, the present Act has been in force. The old Act has not been a very workable one. There are certain powers lacking which this Bill will give the chemists. The Bill is very necessary to safeguard the public against impostors. Notwithstanding the difficulties of the present Act, the chemists have done remarkably good work. They have established a School of Pharmacy which has been in existence for many years, and they have

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trained a large number of very competent men as chemists. The training which this school has given them is equal to that which they could have obtained in any State in Australia, and probably equal to that which could be obtained in Great Britain. They deserve every credit for the work they have done in training competent men to protect the public against mistakes, because the occupation or calling of a chemist is a very responsible one, and one which requires great skill in compounding drugs, as a mistake may result in fatal consequences. It is highly necessary that these men should be well trained and thoroughly competent in every respect. This Bill will assist them in carrying out their good work. It has, I know, the hearty support of the medical profession. In passing the Bill the Council will be doing what they have never done yet, so far as my knowledge goes, and that is they will second the efforts of the medical profession in doing good work. Hitherto they have thwarted the medical profession.

HON. P. J. LEAHY: Is that the fault of the profession?

HON. W. F. TAYLOR: It has been the fault of the Council. The Bill will to a certain extent safeguard the public against imposters and quacks, who, I may say, are growing up in large numbers in this State, and fleece the public in a most outrageous manner, and no steps are taken to prevent them from doing so. Any steps which may be taken to deal with that evil by means of Bills introduced into this Chamber are always treated, if not with unconcern, at any rate, with great suspicion. The power which is given to the Dental Board to erase from the register the names of persons guilty of misconduct and the power given under this Bill to chemists to erase from the register the names of chemists guilty of misconduct has always been denied to the medical profession. The medical profession have been working under an Act which was passed in 1867—half a century ago. Every effort made by the medical profession to get power to erase from the register the name of a medical man guilty of misconduct has been thwarted by the Legislature. During all these years once a man gets his name on the medical register you cannot get it off, no matter what is conducted. We have had the greatest scoundrels practising after being registered and we could not interfere with them. That has been the condition of affairs so far as the medical profession is concerned for the last half-century. I am glad to see that this Bill will give the chemists power to erase the name of any person guilty of misconduct. As I stated, the dentists also have that power, and the other day we passed a Bill giving the same power to another board. The Opticians Bill was passed through this Chamber without the slightest regard for the wishes and opinions of the medical profession. When a division was taken every member in the Council except two voted in favour of the Bill, although the medical representatives were strongly against it. The medical members protested strongly that it would be better for the public if opticians were not registered, but, in spite of our protestations, and in spite of the protestations of medical men in this and the other States, and in Great Britain, the body I refer to was allowed registration. However, perhaps, that is a little outside the subject. The only clause of the Bill to which I take exception is clause 4, which relates to the

composition of the board. Ever since the present Act was passed in 1884 the Pharmaceutical Society have elected their board. Under this Bill the Governor will appoint four members, and the members of the society three members. The Minister has given us no information as to why it is proposed to alter the existing arrangement. Possibly he may give some reason later on. It is not a democratic departure, at any rate. We claim to be a democratic community, and we want to be treated in a democratic way. Every succeeding Home Secretary seems to think that the Government should have the largest finger in the pie. Why, I don't know. So far as my experience goes, the hybrid boards, half-nominee members and half-elected, are never satisfactory. It is better to have them either all elected or all nominated. We have only to refer to our hospitals as an illustration of that fact. The members of the Brisbane Hospital Committee were partly elected and partly nominated by the Government for a great many years, but that hospital gradually got into financial difficulty, and eventually had to give up. The Children's Hospital Committee were appointed wholly by the subscribers, and they have always worked well and have always been in funds. The same applies to the Lady Bowen Hospital, the Lady Lamington Hospital, and other hospitals throughout the State. The hospitals with hybrid management are always getting into financial difficulties, and the management are always at loggerheads. For those reasons I would like to see the old method of appointing the Pharmacy Board preserved in this Bill. As far as the other provisions of the Bill are concerned, I think they are very good.

THE SECRETARY FOR MINES: I think the board prefer this method.

HON. W. F. TAYLOR: I have only had time to consult one chemist, and he seemed to prefer the old method. He said the Home Secretary had agreed to introduce a Bill to amend the Act, but he insisted on this hybrid board. That is what I was told over the telephone to-night, and I think we ought to have some more information on the subject. The examination of candidates, as hon. gentlemen will see by a reference to the Bill, is a very strict one, and those who pass that examination must be well qualified for the work they claim to do, and will be quite different from those who will be registered under a Bill which we passed recently. I have much pleasure in supporting the Bill, and I hope that, with the exceptions I have mentioned, it will be passed without delay.

HON. F. McDONNELL: I notice that this Bill has avoided many of the objectionable clauses contained in the Medical Bill that we discussed here some years ago. There is one thing I would like some information on from the Minister. According to the Bill, no person but a pharmaceutical chemist is allowed to sell anything in the nature of a drug, with the exception of retail storekeepers, who are allowed to sell patent medicines. Will this Bill prevent an herbalist from selling herbal remedies? Herbalists, I understand, have to pass an examination.

THE SECRETARY FOR MINES: The Bill as it stands will do that, but I intend to move an amendment in Committee which, I think, will meet with the approval of hon. members.

HON. F. McDONNELL: That will satisfy me.

Hon. F. McDonnell]

HON. C. F. MARKS: I do not wish to repeat the arguments used by the Hon. Dr. Taylor, as the matter can be dealt with in Committee. I simply wish to say that I am in favour of the Bill.

HON. E. W. H. FOWLES: The pharmaceutical chemists of Queensland may be congratulated on this Bill. It is a Bill that has been shelved more than once. It was brought in some years ago, and was brought in in the last week of the Parliament. It is brought in again in the last week of this Parliament. The Bill removes two or three objections that we had in connection with the present Act. This present Bill does not refer to wholesale chemists, and does not refer to medical practitioners, and it also removes the other objection we had in regard to the retail storekeepers not being allowed to sell potent medicines. It not only enables the board to get a vital grip on the administration of their society, but it also enacts that there must be a certified pharmaceutical chemist in every shop that sells drugs. That is the most vital clause in the whole Bill. The only other matter that has been brought to my notice is the fact that the Bill will cut herbalists out of a living, but I understand the Minister is going to bring in an amendment in regard to that. The chemists can be congratulated on this Bill, and I hope it will be passed.

Question put and passed.

The consideration of the Bill in Committee was made an Order of the Day for tomorrow.

PAPER.

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

Award as of the twentieth day of November, 1917, relating to engineers engaged in the dredge service at Brisbane.

SPECIAL ADJOURNMENT.

FRIDAY SITTING.

The SECRETARY FOR MINES moved—That this Council, at its rising, do adjourn until 2 o'clock p.m. to-morrow.

Question put and passed.

ADJOURNMENT.

The SECRETARY FOR MINES: I beg to move—That this Council do now adjourn. The business to-morrow will be the adoption of the report of the Select Committee on the Mount Molloy Railway, the resumption of the second reading debate on the Chillagoe and Etheridge Railways Bill, the Committee stages of the Public Works Land Resumption Act Amendment Bill, Local Authorities Act Amendment Bill, State Children Act Amendment Bill, Bundaberg Harbour Board Acts Amendment Bill, Pharmacy Bill, and Clermont Flood Relief Act Amendment Bill, to be followed by the second reading of the Succession and Probate Duties Acts Amendment Bill, and the Stamp Act Amendment Bill.

Question put and passed.

The Council adjourned at twenty-five minutes past 10 o'clock p.m.

[*Hon. C. F. Marks.*]